

## HCS SB 226 -- SALES TAX

SPONSOR: Koenig (Christofanelli)

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Ways and Means by a vote of 10 to 0. Voted "Do Pass" by the Standing Committee on Rules- Administrative Oversight by a vote of 12 to 0.

The following is a summary of the House Committee Substitute for SB 226.

This bill modifies provisions relating to sales taxes.

### SALES TAX FILING PERIODS (Section 144.080, RSMo)

Current law provides statutory sales tax collection thresholds to determine the frequency at which sellers shall file and remit sales taxes collected, with such periods being quarter-monthly, monthly, quarterly, and annually. Current law also allows the Department of Revenue to increase, but not decrease, such thresholds through rule. This bill modifies the statutory thresholds for the monthly, quarterly, and annual filing periods.

For monthly filing, the threshold is changed from at least \$250 in the first or second month of a calendar quarter to at least \$500 per calendar month for the prior year.

For quarterly filing, the threshold is changed from at least \$45 in a calendar quarter, but not subject to monthly filing to less than \$500 per calendar month, but at least \$200 in a calendar quarter.

For annual filing, the threshold is changed from less than \$45 per calendar quarter to less than \$200 per calendar quarter.

This provision is the same as SB 741 (2020) and SB 141 (2019).

### SALES TAX RETENTION (Section 144.142)

Beginning August 28, 2021, and ending June 30, 2023, this bill authorizes sellers to deduct and retain 100% of the state portion of sales tax levied on purchases of admission tickets to movies, films, and musical performances, as well as on sales of concessions sold onsite at such seller's place of business.

This provision is similar to HB 1307 and SB 529 (2021).

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced

version of the bill.

PROPONENTS: Supporters say that the current thresholds for filing periods have not been updated in decades and this update needs to happen.

Testifying for the bill were Senator Koenig; Missouri Society of Certified Public Accountants; and Associated Industries of Missouri.

OPPONENTS: Those who oppose the bill submitted online written testimony.

Testifying against the bill was Arnie Dienoff.

Written testimony has been submitted for this bill. The full written testimony can be found under Testimony on the bill page on the House website.