

House _____ Amendment NO. _____

Offered By

1 AMEND House Substitute for House Committee Substitute for Senate Substitute for Senate
2 Committee Substitute for Senate Bill No. 133, Page 1, Section A, Line 4, by inserting after all of
3 said section and line the following:
4

5 "32.028. 1. There is hereby created a department of revenue in charge of a director
6 appointed by the governor, by and with the advice and consent of the senate. The department shall
7 collect all taxes and fees payable to the state as provided by law.

8 2. The powers, duties and functions of the department of revenue, chapter 32 and others, are
9 transferred by type I transfer to the department of revenue. All powers, duties and function of the
10 collector of revenue are transferred to the director of the department by type I transfer and the
11 position of collector of revenue is abolished.

12 3. The powers, duties and functions of the state tax commission, chapter 138 and others, are
13 transferred by type III transfer to the department of revenue.

14 4. All of the powers, duties and functions of the state tax commission relating to
15 administration of the corporation franchise tax~~[, chapter 152,]~~ and others, are transferred by type I
16 transfer to the department of revenue; provided, however, that the provision of section 138.430
17 relating to appeals from decisions of the director of revenue shall apply to these taxes.

18 5. All the powers, duties and functions of the highway reciprocity commission, chapter 301,
19 are transferred by type II transfer to the department of revenue.

20 53.084. 1. In addition to all other compensation provided by law, any assessor other than an
21 assessor of a first class county who becomes certified during the period set by subsection 1 of
22 section 53.255, and remains certified as provided in sections 53.250 to ~~[53.265]~~ 53.260, and who is
23 serving as assessor at the time payment is to be made as provided in this section, shall receive
24 additional compensation, paid by the state directly to him or her, in the sum of nine hundred dollars
25 for the calendar year 1988 and the sum of two hundred twenty-five dollars per quarter as provided in
26 this section for each year thereafter, from funds appropriated for that purpose.

27 2. An assessor other than an assessor of a first class charter county who becomes certified
28 after taking office shall be entitled to the compensation provided in subsection 1 of this section
29 beginning with the first day of the second calendar quarter after the commission has been notified
30 that an assessor has attended a course of study as provided in subsection 1 or 4 of section 53.255 and

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1 shall continue on the first day of each calendar quarter provided the assessor meets all of the
2 requirements of sections 53.250 to ~~[53.265]~~ 53.260.

3 3. An assessor other than an assessor of a first class charter county who became certified
4 while he or she was assessor-elect shall be entitled to the compensation provided in subsection 1 of
5 this section beginning with the first day of the second calendar quarter after ~~[he]~~ the assessor begins
6 his or her term of office or after the commission has been notified that ~~[he]~~ the assessor has attended
7 a course of study as provided in subsection 1 of section 53.255, whichever event later occurs, and
8 shall continue on the first day of each calendar quarter provided the assessor meets all of the
9 requirements of sections 53.250 to ~~[53.265]~~ 53.260."; and

10
11 Further amend said bill, Page 6, Section 135.030, Line 63, by inserting after all of said section and
12 line the following:

13
14 "137.110. The state tax commission shall ~~[design]~~ approve the necessary assessment blanks,
15 which ~~[design]~~ approval shall be furnished to the assessor at least one hundred twenty days prior to
16 January first of each year. The assessor shall purchase assessment blanks, assessment books, and all
17 necessary supplies relating to the assessment process at the expense of the county assessment fund.
18 In all laws governing property assessment, the requirements for terms "assessment book" and
19 "assessment rolls" may be satisfied by computer programs that create the required tables and
20 information.

21 137.150. Assessors and deputy assessors, county and circuit clerks, notaries public,
22 commissioners of the county commissions, associate circuit judges, and all other judicial officers,
23 are empowered and authorized to administer any oath relating to the assessment of property required
24 by this chapter~~[- and the assessor shall be liable to a fine of not less than ten dollars, to be recovered~~
25 ~~by suit or by indictment, for each list he shall receive without the same has been duly sworn to~~
26 ~~before some such officer; provided, he shall not be subject to a fine in any case where he or his~~
27 ~~deputy has made out the same on his own knowledge or information, in the absence of the person~~
28 ~~whose property is listed, or where he or his deputy has made it out on the refusal of the taxpayer to~~
29 ~~make it out and to swear to it; and it shall be the duty of the court having jurisdiction in criminal~~
30 ~~cases to give this section in charge of the grand jury at each term of the court].~~

31 137.165. If by any means any tract of land or town lot shall be omitted in the assessment of
32 any year or series of years, and not put upon the assessor's book, the same, when discovered, shall
33 be assessed by the assessor for the time being, and placed upon ~~[his]~~ the assessor's book before the
34 same is returned to the court, with all arrearages of tax which ought to have been assessed and paid
35 in former years charged thereon.

36 137.180. 1. Whenever any assessor shall increase the valuation of any real property he or
37 she shall forthwith notify the record owner of such increase, either in person, or by mail directed to
38 the last known address, or electronic notification at the record owner's request; every such increase
39 in assessed valuation made by the assessor shall be subject to review by the county board of

1 equalization whereat the landowner shall be entitled to be heard, and the notice to the landowner
2 shall so state.

3 2. Effective January 1, 2009, for all counties with a charter form of government, other than
4 any county adopting a charter form of government after January 1, 2008, whenever any assessor
5 shall increase the valuation of any real property, he or she shall forthwith notify the record owner on
6 or before June fifteenth of such increase and, in a year of general reassessment, the county shall
7 notify the record owner of the projected tax liability likely to result from such an increase, either in
8 person, by electronic notification at the record owner's request, or by mail directed to the last known
9 address; every such increase in assessed valuation made by the assessor shall be subject to review by
10 the county board of equalization whereat the landowner shall be entitled to be heard, and the notice
11 to the landowner shall so state. Notice of the projected tax liability from the county shall
12 accompany the notice of increased valuation from the assessor.

13 3. For all calendar years prior to the first day of January of the year following receipt of
14 software necessary for the implementation of the requirements provided under subsections 4 and 5
15 of this section from the state tax commission, for any county not subject to the provisions of
16 subsection 2 of this section or subsection 2 of section 137.355, whenever any assessor shall increase
17 the valuation of any real property, he or she shall forthwith notify the record owner on or before
18 June fifteenth of the previous assessed value and such increase either in person, by electronic
19 notification at the record owner's request, or by mail directed to the last known address and include
20 in such notice a statement indicating that the change in assessed value may impact the record
21 owner's tax liability and provide all processes and deadlines for appealing determinations of the
22 assessed value of such property. Such notice shall be provided in a font and format sufficient to
23 alert a record owner of the potential impact upon tax liability and the appellate processes available.

24 4. Effective January first of the year following receipt of software necessary for the
25 implementation of the requirements provided under this subsection and subsection 5 of this section
26 from the state tax commission, for all counties not subject to the provisions of subsection 2 of this
27 section or subsection 2 of section 137.355, whenever any assessor shall increase the valuation of any
28 real property, he or she shall forthwith notify the record owner on or before June fifteenth of such
29 increase and, in a year of general reassessment, the county shall notify the record owner of the
30 projected tax liability likely to result from such an increase, either in person, by electronic
31 notification at the record owner's request, or by mail directed to the last known address; every such
32 increase in assessed valuation made by the assessor shall be subject to review by the county board of
33 equalization whereat the landowner shall be entitled to be heard, and the notice to the landowner
34 shall so state. Notice of the projected tax liability from the county shall accompany the notice of
35 increased valuation from the assessor.

36 5. The notice of projected tax liability, required under subsections 2 and 4 of this section,
37 from the county shall include:

- 38 (1) The record owner's name, address, and the parcel number of the property;
39 (2) A list of all political subdivisions levying a tax upon the property of the record owner;

1 (3) The projected tax rate for each political subdivision levying a tax upon the property of
2 the record owner, and the purpose for each levy of such political subdivisions;

3 (4) The previous year's tax rates for each individual tax levy imposed by each political
4 subdivision levying a tax upon the property of the record owner;

5 (5) The tax rate ceiling for each levy imposed by each political subdivision levying a tax
6 upon the property of the record owner;

7 (6) The contact information for each political subdivision levying a tax upon the property of
8 the record owner;

9 (7) A statement identifying any projected tax rates for political subdivisions levying a tax
10 upon the property of the record owner, which were not calculated and provided by the political
11 subdivision levying the tax; and

12 (8) The total projected property tax liability of the taxpayer.

13 6. In addition to the requirements provided under subsections 1, 2, and 5 of this section,
14 effective January 1, 2011, in any county with a charter form of government and with more than one
15 million inhabitants, whenever any assessor shall notify a record owner of any change in assessed
16 value, such assessor shall provide notice that information regarding the assessment method and
17 computation of value for such property is available on the assessor's website and provide the exact
18 website address at which such information may be accessed. Such notification shall provide the
19 assessor's contact information to enable taxpayers without internet access to request and receive
20 information regarding the assessment method and computation of value for such property.

21 137.220. The assessor of St. Louis City shall cause to be prepared plats covering all tracts
22 and lots of land in said city, and the county assessor in every county where the county commission
23 shall have passed an order requiring an alphabetical arrangement of the land list, shall cause to be
24 prepared plats covering all tracts and lots of lands in such county, showing upon the respective
25 pieces of property, as marked down on said plats, the names of the persons to whom each tract or lot
26 was assessed for each year; ~~he~~ the assessor shall cause the changes for the assessment of the
27 following years to be marked in different inks, stating on the first leaf of each plat book for what
28 years the different inks were used, and such plats shall not be used to record the changes for a longer
29 period than seven assessment years on each set of plats; and in every such county where an
30 alphabetical arrangement of the land list shall be adopted by order of the county commission, such
31 commission shall allow to the assessor a reasonable compensation for preparing such plat and
32 procuring the books therefor. The use of satellite imagery and geographic information system (GIS)
33 may replace the plat books if the required information is included in such system.

34 137.245. 1. The assessor shall make out and return to the county governing body, on or
35 before the first day of July in every year, the assessor's book, verified by an affidavit annexed
36 thereto, in the following words:

37 "_____ being duly sworn, makes oath and says that such person has made diligent efforts to
38 ascertain all the taxable property being or situate, on the first day of January last past, in the
39 county of which such person is assessor; that, so far as such person has been able to ascertain

1 the same, it is correctly set forth in the foregoing book, in the manner and the value thereof
2 stated therein, according to the mode required by law".

3 2. The clerk of the county governing body shall immediately make out an abstract of the
4 assessment book, showing aggregate footings of the different columns, so as to set forth the
5 aggregate amounts of the different kinds of real and tangible personal property and the valuation
6 thereof, and forward the abstract to the state tax commission. ~~[Failure of the clerk to make out and~~
7 ~~forward the abstract to the state tax commission on or before the twentieth day of July is a~~
8 ~~misdemeanor.]~~ The clerk shall make out and forward the abstract to the state tax commission on or
9 before July twentieth.

10 3. The clerk of the county governing body in all counties, and the assessor in St. Louis City,
11 shall make out an abstract of the assessment book showing the aggregate amounts of different kinds
12 of real, personal and other tangible property and the valuations of each for each political subdivision
13 in the county entitled to levy ad valorem taxes on property except for municipalities maintaining
14 their own tax or assessment books. The clerk of each county, and the assessor in St. Louis City,
15 shall forward a copy of the aggregate valuation listed in the tax book for each political subdivision,
16 except counties and municipalities maintaining their own tax or assessment books, to the governing
17 body of the subdivision by the twentieth day of July of each year. In any county which contains a
18 city with a population of one hundred thousand or more inhabitants which is located within a county
19 of the first classification that adjoins no other county of the first classification, the clerk of the
20 county shall provide the final revised assessed valuation listed in the tax book for each school
21 district within the county to each such district on or before the fifteenth day of August of each year.
22 The clerk of any county of the first classification with a charter form of government and with more
23 than six hundred thousand but less than seven hundred thousand inhabitants shall forward a copy of
24 the aggregate valuation listed in the tax book for school districts within the county to each such
25 district by the fifteenth day of July of each year.

26 137.335. The state tax commission shall ~~[design]~~ approve the necessary assessment blanks,
27 which shall contain a classification of all tangible personal property, and the blanks shall be
28 furnished to the county assessor sixty days before January first of each year. After receiving the
29 form of the assessment blanks, the assessor or his or her deputies shall, between the first day of
30 January and the first day of July of each year, make and complete a list of all real and tangible
31 personal property taxable by the county and assess the property at its true value in money.

32 137.375. 1. The assessor shall make out and return to the county commission, on or before
33 the first day of July in every year, the assessor's book, verified by his or her affidavit annexed
34 thereto, in the following words:

35 _____ being duly sworn makes oath and says that he has made diligent efforts to ascertain
36 all the taxable property being or situate on the first day of January last past, in the county of
37 which he or she is assessor; that, so far as he or she has been able to ascertain the same, it is
38 correctly set forth in the foregoing book, in the manner and the value thereof stated therein,
39 according to the mode required by law.

2. The clerk of the county commission shall immediately make out an abstract of the assessment book, showing aggregate footings of the different columns, so as to set forth the aggregate amounts of the different kinds of real and tangible personal property and the valuation thereof, and forward the abstract to the state tax commission.

3. ~~[Upon failure to]~~ The clerk shall make out and forward the abstract to the state tax commission on or before the twentieth day of July or within the additional time allowed by the county commission~~[-, the clerk shall upon conviction be deemed guilty of a misdemeanor]~~.

137.415. 1. The county commission of each county of class one having a charter form of government shall furnish the county recorders of the respective counties with a book, to be known as and denominated the "land list", which shall contain all lands in the county, arranged as nearly as may be in numerical order of range, township, sections and parts of sections, by the least legal subdivisions, lots or parcels, when sections or subdivisions thereof are subdivided into lots or parcels; and all lots or parcels of land in cities, towns or villages, according to the number of block, lot or parcel, and all lands designated by numbered surveys or parts of surveys, and all lands that can be described in numerical order, shall be placed in the land list, with the owner's name, if known, and if not known, then the name of the original patentee, grantee, or purchaser from the federal government, state, or county, as the case may be, opposite thereto, the lowest numbered range, township, section, block or survey always to be placed first in the list in making up the book.

2. In making up this book, if there be any land in any section or block that cannot be described as set forth above, it shall be otherwise briefly described, indicating the quantity and location thereof, with the owner's name, if known, alphabetically arranged opposite thereto, and be placed at the foot of the descriptions of the lands in the section or block of which it forms a part.

3. The book shall be arranged in tabular form with suitable captions. It shall contain twelve ruled columns, ten of which shall be left blank; the first column shall contain the name of the owner; the second column shall contain an accurate description of the land.

4. The recorder shall, whenever any deed conveying the title to real estate in the county is left with him or her for record, before recording the same, enter in the blank space in the land list, opposite and next to the description of the land so conveyed, the name of the purchaser and date of purchase, and if there be any change in the description of the land from that already entered in the land list, ~~[he]~~ the recorder shall also note that variance by stating what part or parcel of the original has been so conveyed.

~~[5. As compensation for the compliance with the requirements of this section the recorder shall receive the sum of ten cents for each piece so transferred, to be paid by the party presenting the deed for record, the proceeds of which shall be paid into the general revenue fund of the county not less than once a year.~~

~~6. Upon failure to comply with the requirements of this section, the recorder so neglecting shall be liable on his bond in any sum not less than twenty-five dollars or more than one hundred dollars for each neglect to enter said transfers.~~

1 ~~7.If, in making up the real estate book, the assessor finds that the recorder has failed, as~~
 2 ~~above stated, he shall at once notify the county attorney who shall forthwith commence suit against~~
 3 ~~the recorder and his bondsmen in the name of the state of Missouri, and for the use and benefit of~~
 4 ~~the county.]~~

5 137.500. The assessor shall have available at his or her office a supply of appropriate forms
 6 or blanks on which the taxpayer's returns are to be made. For the convenience of taxpayers the
 7 assessor may mail or leave at the residence or place of business of the taxpayers the forms or blanks.
 8 The forms prescribed shall not require any affidavit or acknowledgment, but shall require the
 9 signature of the taxpayer and if the taxpayer is a corporation, the form shall require the signatures of
 10 any two officers of the corporation. Any person who willfully signs a false or fraudulent return shall
 11 be subject to the penalties provided for in sections 137.485 to 137.550.

12 137.750. 1. If a county has an assessment maintenance plan approved pursuant to section
 13 137.115, a portion of all the costs and expenses of the assessor of each county and each city not
 14 within a county, incurred for the current quarter in performing all duties necessary to assess and
 15 maintain equalized assessed valuations of real property, making real and personal property
 16 assessments and preparing abstracts of assessment lists, shall be reimbursed by the state. The state
 17 shall reimburse up to sixty percent of all the current and past unreported quarterly costs and
 18 expenses of the assessor of each county and each city not within a county based on compliance with
 19 the state tax commission approved assessment and equalization maintenance plan. The state shall
 20 reimburse each eligible county a minimum of three dollars per parcel for up to twenty thousand
 21 parcels, but no further reimbursements shall be made until the county has expended at least two-
 22 thirds of that amount of money for assessment maintenance from its assessment fund. The annual
 23 state reimbursement to any county pursuant to this section in 2000 shall not exceed seven dollars per
 24 parcel of real property in the county and each year thereafter such maximum amount may be
 25 increased by up to three percent, but the amount reimbursed by the state shall not exceed sixty
 26 percent of the actual costs and expenses incurred, except that counties entitled to only the three-
 27 dollar per parcel minimum shall receive one-fourth of the state's contribution each quarter.

28 2. The governing body of each county and city not within a county which seeks or will seek
 29 reimbursement under any provision of this section or section 137.720 shall establish a fund to be
 30 known as the "Assessment Fund", to be used solely as a depository for funds received by the county
 31 or city pursuant to this section and ~~[sections 137.037 and]~~ section 137.720, from the general revenue
 32 fund of the county or other sources for the purpose of funding the costs and expenses incurred in
 33 implementing an assessment and equalization maintenance plan approved under section 137.115 and
 34 for assessing real and personal property.

35 3. All counties and cities not within a county seeking state funds under this section shall
 36 submit a certified copy of their costs and expenses to the commissioner of the office of
 37 administration not later than the thirtieth day of the quarter immediately following the quarter for
 38 which such state funds are sought. The commissioner of the office of administration shall, in such
 39 form as may be prescribed by rule, certify that the county requests for reimbursement are consistent

with the assessment and equalization maintenance plan approved by the state tax commission as provided in section 137.115, and shall pay the state's share out of funds appropriated for that purpose quarterly to each eligible county and city to reimburse such county or city for reimbursable costs and expenses incurred in the previous calendar quarter.

4. (1) The following costs and expenses shall not qualify for state reimbursement or reimbursement from tax moneys withheld from political subdivisions:

(a) Premiums for property and casualty insurance and liability insurance;

(b) Depreciation, interest, building and ground maintenance, fuel and utility costs, and other indirect expenses which can be classified as the overhead expenses of the assessor's office;

(c) Purchases of motor vehicles;

(2) Costs and expenses which shall qualify for state reimbursement, but only if identified in the county maintenance plan and subsequently specifically approved by the state tax commission, shall include:

(a) Salaries and benefits of data processing and legal personnel not directly employed by the assessor;

(b) Costs and expenses for computer software, hardware, and maintenance;

(c) Costs and expenses of any additional office space made necessary in order to carry out the county's maintenance plan;

(d) Costs of leased equipment;

(e) Costs of aerial photography.

138.200. 1. Each commissioner shall be a qualified voter and taxpayer and resident of the state for at least five years next preceding his appointment. At all times the state tax commission shall be so constituted that not more than two members shall be of the same political party.

2. In the event of a vacancy occurring while the general assembly is not in session, the governor may appoint a temporary member of the commission to serve until such time as a permanent appointment can be made with the advice and consent of the senate.

3. Each commissioner shall devote his or her full time and efforts to the discharge of his or her duties and shall not accept any private employment of any kind or nature while serving on the commission nor hold any other office under the laws of this state, or any city, or county, or city and county, in this state, nor any office under the government of the United States.

4. No commissioner or employee of the commission shall hold any position of profit, engage in any occupation or business interfering with, or inconsistent with, his or her duties as commissioner or employee. No person is eligible to appointment or shall hold the office of commissioner, or be appointed by the commission, or hold any office or position under the commission, who holds any official office or position or who is a stockholder or who is in any wise pecuniarily interested in any common carrier, public utility, or any other corporation whose original assessment is made by the commission, as provided by this chapter. The words "original assessment" as used herein shall not be held or construed to include the assessment of corporation franchise tax.

1 138.220. Before entering upon the discharge of his or her official duty, each member of the
2 commission shall execute a bond payable to the state of Missouri in the penal sum of ten thousand
3 dollars, to be approved by the governor, for the faithful discharge of official duties, and his or her
4 official oath, duly subscribed to, shall be endorsed upon their official bond, which bond and oath,
5 when so executed, shall be filed in the office of the secretary of state.

6 138.260. 1. The commission shall appoint an administrative secretary who shall serve at the
7 pleasure of the commission. The administrative secretary shall keep full and true records of all
8 proceedings of the commission and copies of all rules, regulations, decisions and orders made by the
9 commission and he or she shall be responsible for the safe custody and preservation of such records
10 and documents. He or she shall be responsible for the preparation, posting on the state tax
11 commission website, and printing when requested of the annual report as required by section
12 138.440. Under the direction of the commission the administrative secretary shall superintend the
13 clerical business of the commission, handle correspondence, supervise general office procedures and
14 perform such other duties as the commission prescribes.

15 2. The administrative secretary shall receive a salary in an amount to be fixed by the
16 commission within the limits of the appropriation made therefor.

17 138.290. 1. For the purpose of making any investigation, or the performance of other duties
18 with regard to any matters relating to taxation, the commission may appoint by an order in writing
19 an agent, or agents, whose duties shall be prescribed in the order.

20 2. Agents may be paid a salary, fee or commission in the discretion of the state tax
21 commission; if a salary, the amount paid shall be fixed by the commission within the limits of the
22 appropriations made therefor; if a fee or commission, the amount paid shall be in accordance with
23 the value of the service rendered, and must be agreed upon and approved by the state tax
24 commission before the agent renders service under his appointment.

25 3. Such claim shall be certified by the state tax commission and paid as provided by law for
26 other claims against the state.

27 4. Any expenditure authorized or incurred for payment of services rendered by any agent in
28 excess of amount appropriated for the purpose is hereby made chargeable to the state tax
29 commission and the commission with their bondsmen, or the bondsman provided by the office of
30 administration, shall be held liable for any such excess.

31 138.330. 1. The commission shall have an official seal with the words "State Tax
32 Commission" arranged in a circle outside the seal of the state.

33 2. All process or certificates issued or given by the commission shall be attested by said
34 seal.

35 3. Copies of the record of the commission certified by the secretary and attested with the
36 seal of the commission shall be received in evidence with a like effect as copies of other public
37 records.

38 4. The secretary of the commission shall be the custodian of the seal and records and be
39 authorized to affix the seal in all proper cases.

1 5. An electronic seal may be used for online documents and files transferred by computer.

2 138.433. In determining whether pleadings are filed within the time allowed by law, such
3 pleadings may be transmitted to the state tax commission by registered mail, email, or online.
4 Pleadings so filed shall be deemed filed with the commission as of the date deposited with the
5 United States Postal Service or sent electronically as shown by the record of such mailing.

6 138.440. 1. A report of the proceedings and decisions of the state tax commission shall be
7 printed or posted on the state tax commission website annually.

8 2. The report shall contain a complete account of the work of the state tax commission,
9 including its proceedings and decisions while acting as a board of equalization.

10 3. After the report has been prepared by the administrative secretary, the members of the
11 commission shall edit the report and make any corrections or revision necessary.

12 4. The commission shall also from time to time select and designate the works, papers or
13 studies of the state tax commission relating to the field of taxation that may in the judgment of the
14 commission be of interest to the public and cause same to be published in pamphlet [or], booklet
15 form, or online on the state tax commission website.

16 5. For the additional duties imposed upon the members of the tax commission under the
17 provisions of this section each member of the commission shall annually receive six thousand
18 dollars plus any salary adjustment provided pursuant to section 105.005."; and
19

20 Further amend said bill, Page 12, Section 143.161, Line 28, by inserting after all of said section and
21 line the following:
22

23 "144.030. 1. There is hereby specifically exempted from the provisions of sections 144.010
24 to 144.525 and from the computation of the tax levied, assessed or payable pursuant to sections
25 144.010 to 144.525 such retail sales as may be made in commerce between this state and any other
26 state of the United States, or between this state and any foreign country, and any retail sale which
27 the state of Missouri is prohibited from taxing pursuant to the Constitution or laws of the United
28 States of America, and such retail sales of tangible personal property which the general assembly of
29 the state of Missouri is prohibited from taxing or further taxing by the constitution of this state.

30 2. There are also specifically exempted from the provisions of the local sales tax law as
31 defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.761
32 and from the computation of the tax levied, assessed or payable pursuant to the local sales tax law as
33 defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to
34 144.745:

35 (1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of such
36 excise tax is refunded pursuant to section 142.824; or upon the sale at retail of fuel to be consumed
37 in manufacturing or creating gas, power, steam, electrical current or in furnishing water to be sold
38 ultimately at retail; or feed for livestock or poultry; or grain to be converted into foodstuffs which
39 are to be sold ultimately in processed form at retail; or seed, limestone or fertilizer which is to be

1 used for seeding, liming or fertilizing crops which when harvested will be sold at retail or will be
2 fed to livestock or poultry to be sold ultimately in processed form at retail; economic poisons
3 registered pursuant to the provisions of the Missouri pesticide registration law, sections 281.220 to
4 281.310, which are to be used in connection with the growth or production of crops, fruit trees or
5 orchards applied before, during, or after planting, the crop of which when harvested will be sold at
6 retail or will be converted into foodstuffs which are to be sold ultimately in processed form at retail;

7 (2) Materials, manufactured goods, machinery and parts which when used in manufacturing,
8 processing, compounding, mining, producing or fabricating become a component part or ingredient
9 of the new personal property resulting from such manufacturing, processing, compounding, mining,
10 producing or fabricating and which new personal property is intended to be sold ultimately for final
11 use or consumption; and materials, including without limitation, gases and manufactured goods,
12 including without limitation slagging materials and firebrick, which are ultimately consumed in the
13 manufacturing process by blending, reacting or interacting with or by becoming, in whole or in part,
14 component parts or ingredients of steel products intended to be sold ultimately for final use or
15 consumption;

16 (3) Materials, replacement parts and equipment purchased for use directly upon, and for the
17 repair and maintenance or manufacture of, motor vehicles, watercraft, railroad rolling stock or
18 aircraft engaged as common carriers of persons or property;

19 (4) Replacement machinery, equipment, and parts and the materials and supplies solely
20 required for the installation or construction of such replacement machinery, equipment, and parts,
21 used directly in manufacturing, mining, fabricating or producing a product which is intended to be
22 sold ultimately for final use or consumption; and machinery and equipment, and the materials and
23 supplies required solely for the operation, installation or construction of such machinery and
24 equipment, purchased and used to establish new, or to replace or expand existing, material recovery
25 processing plants in this state. For the purposes of this subdivision, a "material recovery processing
26 plant" means a facility that has as its primary purpose the recovery of materials into a usable product
27 or a different form which is used in producing a new product and shall include a facility or
28 equipment which are used exclusively for the collection of recovered materials for delivery to a
29 material recovery processing plant but shall not include motor vehicles used on highways. For
30 purposes of this section, the terms motor vehicle and highway shall have the same meaning pursuant
31 to section 301.010. For the purposes of this subdivision, subdivision (5) of this subsection, and
32 section 144.054, as well as the definition in subdivision (9) of subsection 1 of section 144.010, the
33 term "product" includes telecommunications services and the term "manufacturing" shall include the
34 production, or production and transmission, of telecommunications services. The preceding
35 sentence does not make a substantive change in the law and is intended to clarify that the term
36 "manufacturing" has included and continues to include the production and transmission of
37 "telecommunications services", as enacted in this subdivision and subdivision (5) of this subsection,
38 as well as the definition in subdivision (9) of subsection 1 of section 144.010. The preceding two
39 sentences reaffirm legislative intent consistent with the interpretation of this subdivision and

subdivision (5) of this subsection in *Southwestern Bell Tel. Co. v. Director of Revenue*, 78 S.W.3d 763 (Mo. banc 2002) and *Southwestern Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d 226 (Mo. banc 2005), and accordingly abrogates the Missouri supreme court's interpretation of those exemptions in *IBM Corporation v. Director of Revenue*, 491 S.W.3d 535 (Mo. banc 2016) to the extent inconsistent with this section and *Southwestern Bell Tel. Co. v. Director of Revenue*, 78 S.W.3d 763 (Mo. banc 2002) and *Southwestern Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d 226 (Mo. banc 2005). The construction and application of this subdivision as expressed by the Missouri supreme court in *DST Systems, Inc. v. Director of Revenue*, 43 S.W.3d 799 (Mo. banc 2001); *Southwestern Bell Tel. Co. v. Director of Revenue*, 78 S.W.3d 763 (Mo. banc 2002); and *Southwestern Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d 226 (Mo. banc 2005), is hereby affirmed. Material recovery is not the reuse of materials within a manufacturing process or the use of a product previously recovered. The material recovery processing plant shall qualify under the provisions of this section regardless of ownership of the material being recovered;

(5) Machinery and equipment, and parts and the materials and supplies solely required for the installation or construction of such machinery and equipment, purchased and used to establish new or to expand existing manufacturing, mining or fabricating plants in the state if such machinery and equipment is used directly in manufacturing, mining or fabricating a product which is intended to be sold ultimately for final use or consumption. The construction and application of this subdivision as expressed by the Missouri supreme court in *DST Systems, Inc. v. Director of Revenue*, 43 S.W.3d 799 (Mo. banc 2001); *Southwestern Bell Tel. Co. v. Director of Revenue*, 78 S.W.3d 763 (Mo. banc 2002); and *Southwestern Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d 226 (Mo. banc 2005), is hereby affirmed;

(6) Tangible personal property which is used exclusively in the manufacturing, processing, modification or assembling of products sold to the United States government or to any agency of the United States government;

(7) Animals or poultry used for breeding or feeding purposes, or captive wildlife;

(8) Newsprint, ink, computers, photosensitive paper and film, toner, printing plates and other machinery, equipment, replacement parts and supplies used in producing newspapers published for dissemination of news to the general public;

(9) The rentals of films, records or any type of sound or picture transcriptions for public commercial display;

(10) Pumping machinery and equipment used to propel products delivered by pipelines engaged as common carriers;

(11) Railroad rolling stock for use in transporting persons or property in interstate commerce and motor vehicles licensed for a gross weight of twenty-four thousand pounds or more or trailers used by common carriers, as defined in section 390.020, in the transportation of persons or property;

(12) Electrical energy used in the actual primary manufacture, processing, compounding, mining or producing of a product, or electrical energy used in the actual secondary processing or

1 fabricating of the product, or a material recovery processing plant as defined in subdivision (4) of
2 this subsection, in facilities owned or leased by the taxpayer, if the total cost of electrical energy so
3 used exceeds ten percent of the total cost of production, either primary or secondary, exclusive of
4 the cost of electrical energy so used or if the raw materials used in such processing contain at least
5 twenty-five percent recovered materials as defined in section 260.200. There shall be a rebuttable
6 presumption that the raw materials used in the primary manufacture of automobiles contain at least
7 twenty-five percent recovered materials. For purposes of this subdivision, "processing" means any
8 mode of treatment, act or series of acts performed upon materials to transform and reduce them to a
9 different state or thing, including treatment necessary to maintain or preserve such processing by the
10 producer at the production facility;

11 (13) Anodes which are used or consumed in manufacturing, processing, compounding,
12 mining, producing or fabricating and which have a useful life of less than one year;

13 (14) Machinery, equipment, appliances and devices purchased or leased and used solely for
14 the purpose of preventing, abating or monitoring air pollution, and materials and supplies solely
15 required for the installation, construction or reconstruction of such machinery, equipment,
16 appliances and devices;

17 (15) Machinery, equipment, appliances and devices purchased or leased and used solely for
18 the purpose of preventing, abating or monitoring water pollution, and materials and supplies solely
19 required for the installation, construction or reconstruction of such machinery, equipment,
20 appliances and devices;

21 (16) Tangible personal property purchased by a rural water district;

22 (17) All amounts paid or charged for admission or participation or other fees paid by or
23 other charges to individuals in or for any place of amusement, entertainment or recreation, games or
24 athletic events, including museums, fairs, zoos and planetariums, owned or operated by a
25 municipality or other political subdivision where all the proceeds derived therefrom benefit the
26 municipality or other political subdivision and do not inure to any private person, firm, or
27 corporation, provided, however, that a municipality or other political subdivision may enter into
28 revenue-sharing agreements with private persons, firms, or corporations providing goods or
29 services, including management services, in or for the place of amusement, entertainment or
30 recreation, games or athletic events, and provided further that nothing in this subdivision shall
31 exempt from tax any amounts retained by any private person, firm, or corporation under such
32 revenue-sharing agreement;

33 (18) All sales of insulin, and all sales, rentals, repairs, and parts of durable medical
34 equipment, prosthetic devices, and orthopedic devices as defined on January 1, 1980, by the federal
35 Medicare program pursuant to Title XVIII of the Social Security Act of 1965, including the items
36 specified in Section 1862(a)(12) of that act, and also specifically including hearing aids and hearing
37 aid supplies and all sales of drugs which may be legally dispensed by a licensed pharmacist only
38 upon a lawful prescription of a practitioner licensed to administer those items, including samples
39 and materials used to manufacture samples which may be dispensed by a practitioner authorized to

1 dispense such samples and all sales or rental of medical oxygen, home respiratory equipment and
2 accessories including parts, and hospital beds and accessories and ambulatory aids including parts,
3 and all sales or rental of manual and powered wheelchairs including parts, and stairway lifts, Braille
4 writers, electronic Braille equipment and, if purchased or rented by or on behalf of a person with
5 one or more physical or mental disabilities to enable them to function more independently, all sales
6 or rental of scooters including parts, and reading machines, electronic print enlargers and
7 magnifiers, electronic alternative and augmentative communication devices, and items used solely
8 to modify motor vehicles to permit the use of such motor vehicles by individuals with disabilities or
9 sales of over-the-counter or nonprescription drugs to individuals with disabilities, and drugs
10 required by the Food and Drug Administration to meet the over-the-counter drug product labeling
11 requirements in 21 CFR 201.66, or its successor, as prescribed by a health care practitioner licensed
12 to prescribe;

13 (19) All sales made by or to religious and charitable organizations and institutions in their
14 religious, charitable or educational functions and activities and all sales made by or to all elementary
15 and secondary schools operated at public expense in their educational functions and activities;

16 (20) All sales of aircraft to common carriers for storage or for use in interstate commerce
17 and all sales made by or to not-for-profit civic, social, service or fraternal organizations, including
18 fraternal organizations which have been declared tax-exempt organizations pursuant to Section
19 501(c)(8) or (10) of the 1986 Internal Revenue Code, as amended, in their civic or charitable
20 functions and activities and all sales made to eleemosynary and penal institutions and industries of
21 the state, and all sales made to any private not-for-profit institution of higher education not
22 otherwise excluded pursuant to subdivision (19) of this subsection or any institution of higher
23 education supported by public funds, and all sales made to a state relief agency in the exercise of
24 relief functions and activities;

25 (21) All ticket sales made by benevolent, scientific and educational associations which are
26 formed to foster, encourage, and promote progress and improvement in the science of agriculture
27 and in the raising and breeding of animals, and by nonprofit summer theater organizations if such
28 organizations are exempt from federal tax pursuant to the provisions of the Internal Revenue Code
29 and all admission charges and entry fees to the Missouri state fair or any fair conducted by a county
30 agricultural and mechanical society organized and operated pursuant to sections 262.290 to 262.530;

31 (22) All sales made to any private not-for-profit elementary or secondary school, all sales of
32 feed additives, medications or vaccines administered to livestock or poultry in the production of
33 food or fiber, all sales of pesticides used in the production of crops, livestock or poultry for food or
34 fiber, all sales of bedding used in the production of livestock or poultry for food or fiber, all sales of
35 propane or natural gas, electricity or diesel fuel used exclusively for drying agricultural crops,
36 natural gas used in the primary manufacture or processing of fuel ethanol as defined in section
37 142.028, natural gas, propane, and electricity used by an eligible new generation cooperative or an
38 eligible new generation processing entity as defined in section 348.432, and all sales of farm
39 machinery and equipment, other than airplanes, motor vehicles and trailers, and any freight charges

on any exempt item. As used in this subdivision, the term "feed additives" means tangible personal property which, when mixed with feed for livestock or poultry, is to be used in the feeding of livestock or poultry. As used in this subdivision, the term "pesticides" includes adjuvants such as crop oils, surfactants, wetting agents and other assorted pesticide carriers used to improve or enhance the effect of a pesticide and the foam used to mark the application of pesticides and herbicides for the production of crops, livestock or poultry. As used in this subdivision, the term "farm machinery and equipment" shall mean:

(a) New or used farm tractors and such other new or used farm machinery and equipment, including utility vehicles used for any agricultural use, and repair or replacement parts thereon and any accessories for and upgrades to such farm machinery and equipment and rotary mowers used for any agricultural purposes. For the purposes of this subdivision, "utility vehicle" shall mean any motorized vehicle manufactured and used exclusively for off-highway use which is more than fifty inches but no more than eighty inches in width, measured from outside of tire rim to outside of tire rim, with an unladen dry weight of three thousand five hundred pounds or less, traveling on four or six wheels;

(b) Supplies and lubricants used exclusively, solely, and directly for producing crops, raising and feeding livestock, fish, poultry, pheasants, chukar, quail, or for producing milk for ultimate sale at retail, including field drain tile; and

(c) One-half of each purchaser's purchase of diesel fuel therefor which is:

a. Used exclusively for agricultural purposes;

b. Used on land owned or leased for the purpose of producing farm products; and

c. Used directly in producing farm products to be sold ultimately in processed form or otherwise at retail or in producing farm products to be fed to livestock or poultry to be sold ultimately in processed form at retail;

(23) Except as otherwise provided in section 144.032, all sales of metered water service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil for domestic use and in any city not within a county, all sales of metered or unmetered water service for domestic use:

(a) "Domestic use" means that portion of metered water service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil, and in any city not within a county, metered or unmetered water service, which an individual occupant of a residential premises uses for nonbusiness, noncommercial or nonindustrial purposes. Utility service through a single or master meter for residential apartments or condominiums, including service for common areas and facilities and vacant units, shall be deemed to be for domestic use. Each seller shall establish and maintain a system whereby individual purchases are determined as exempt or nonexempt;

(b) Regulated utility sellers shall determine whether individual purchases are exempt or nonexempt based upon the seller's utility service rate classifications as contained in tariffs on file with and approved by the Missouri public service commission. Sales and purchases made pursuant

1 to the rate classification "residential" and sales to and purchases made by or on behalf of the
2 occupants of residential apartments or condominiums through a single or master meter, including
3 service for common areas and facilities and vacant units, shall be considered as sales made for
4 domestic use and such sales shall be exempt from sales tax. Sellers shall charge sales tax upon the
5 entire amount of purchases classified as nondomestic use. The seller's utility service rate
6 classification and the provision of service thereunder shall be conclusive as to whether or not the
7 utility must charge sales tax;

8 (c) Each person making domestic use purchases of services or property and who uses any
9 portion of the services or property so purchased for a nondomestic use shall, by the fifteenth day of
10 the fourth month following the year of purchase, and without assessment, notice or demand, file a
11 return and pay sales tax on that portion of nondomestic purchases. Each person making
12 nondomestic purchases of services or property and who uses any portion of the services or property
13 so purchased for domestic use, and each person making domestic purchases on behalf of occupants
14 of residential apartments or condominiums through a single or master meter, including service for
15 common areas and facilities and vacant units, under a nonresidential utility service rate
16 classification may, between the first day of the first month and the fifteenth day of the fourth month
17 following the year of purchase, apply for credit or refund to the director of revenue and the director
18 shall give credit or make refund for taxes paid on the domestic use portion of the purchase. The
19 person making such purchases on behalf of occupants of residential apartments or condominiums
20 shall have standing to apply to the director of revenue for such credit or refund;

21 (24) All sales of handicraft items made by the seller or the seller's spouse if the seller or the
22 seller's spouse is at least sixty-five years of age, and if the total gross proceeds from such sales do
23 not constitute a majority of the annual gross income of the seller;

24 (25) Excise taxes, collected on sales at retail, imposed by Sections 4041, 4071, 4081,
25 ~~[4091,]~~ 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director of revenue
26 shall promulgate rules pursuant to chapter 536 to eliminate all state and local sales taxes on such
27 excise taxes;

28 (26) Sales of fuel consumed or used in the operation of ships, barges, or waterborne vessels
29 which are used primarily in or for the transportation of property or cargo, or the conveyance of
30 persons for hire, on navigable rivers bordering on or located in part in this state, if such fuel is
31 delivered by the seller to the purchaser's barge, ship, or waterborne vessel while it is afloat upon
32 such river;

33 (27) All sales made to an interstate compact agency created pursuant to sections 70.370 to
34 70.441 or sections 238.010 to 238.100 in the exercise of the functions and activities of such agency
35 as provided pursuant to the compact;

36 (28) Computers, computer software and computer security systems purchased for use by
37 architectural or engineering firms headquartered in this state. For the purposes of this subdivision,
38 "headquartered in this state" means the office for the administrative management of at least four
39 integrated facilities operated by the taxpayer is located in the state of Missouri;

1 (29) All livestock sales when either the seller is engaged in the growing, producing or
2 feeding of such livestock, or the seller is engaged in the business of buying and selling, bartering or
3 leasing of such livestock;

4 (30) All sales of barges which are to be used primarily in the transportation of property or
5 cargo on interstate waterways;

6 (31) Electrical energy or gas, whether natural, artificial or propane, water, or other utilities
7 which are ultimately consumed in connection with the manufacturing of cellular glass products or in
8 any material recovery processing plant as defined in subdivision (4) of this subsection;

9 (32) Notwithstanding other provisions of law to the contrary, all sales of pesticides or
10 herbicides used in the production of crops, aquaculture, livestock or poultry;

11 (33) Tangible personal property and utilities purchased for use or consumption directly or
12 exclusively in the research and development of agricultural/biotechnology and plant genomics
13 products and prescription pharmaceuticals consumed by humans or animals;

14 (34) All sales of grain bins for storage of grain for resale;

15 (35) All sales of feed which are developed for and used in the feeding of pets owned by a
16 commercial breeder when such sales are made to a commercial breeder, as defined in section
17 273.325, and licensed pursuant to sections 273.325 to 273.357;

18 (36) All purchases by a contractor on behalf of an entity located in another state, provided
19 that the entity is authorized to issue a certificate of exemption for purchases to a contractor under the
20 provisions of that state's laws. For purposes of this subdivision, the term "certificate of exemption"
21 shall mean any document evidencing that the entity is exempt from sales and use taxes on purchases
22 pursuant to the laws of the state in which the entity is located. Any contractor making purchases on
23 behalf of such entity shall maintain a copy of the entity's exemption certificate as evidence of the
24 exemption. If the exemption certificate issued by the exempt entity to the contractor is later
25 determined by the director of revenue to be invalid for any reason and the contractor has accepted
26 the certificate in good faith, neither the contractor or the exempt entity shall be liable for the
27 payment of any taxes, interest and penalty due as the result of use of the invalid exemption
28 certificate. Materials shall be exempt from all state and local sales and use taxes when purchased by
29 a contractor for the purpose of fabricating tangible personal property which is used in fulfilling a
30 contract for the purpose of constructing, repairing or remodeling facilities for the following:

31 (a) An exempt entity located in this state, if the entity is one of those entities able to issue
32 project exemption certificates in accordance with the provisions of section 144.062; or

33 (b) An exempt entity located outside the state if the exempt entity is authorized to issue an
34 exemption certificate to contractors in accordance with the provisions of that state's law and the
35 applicable provisions of this section;

36 (37) All sales or other transfers of tangible personal property to a lessor who leases the
37 property under a lease of one year or longer executed or in effect at the time of the sale or other
38 transfer to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections
39 238.010 to 238.100;

1 (38) Sales of tickets to any collegiate athletic championship event that is held in a facility
2 owned or operated by a governmental authority or commission, a quasi-governmental agency, a
3 state university or college or by the state or any political subdivision thereof, including a
4 municipality, and that is played on a neutral site and may reasonably be played at a site located
5 outside the state of Missouri. For purposes of this subdivision, "neutral site" means any site that is
6 not located on the campus of a conference member institution participating in the event;

7 (39) All purchases by a sports complex authority created under section 64.920, and all sales
8 of utilities by such authority at the authority's cost that are consumed in connection with the
9 operation of a sports complex leased to a professional sports team;

10 (40) All materials, replacement parts, and equipment purchased for use directly upon, and
11 for the modification, replacement, repair, and maintenance of aircraft, aircraft power plants, and
12 aircraft accessories;

13 (41) Sales of sporting clays, wobble, skeet, and trap targets to any shooting range or similar
14 places of business for use in the normal course of business and money received by a shooting range
15 or similar places of business from patrons and held by a shooting range or similar place of business
16 for redistribution to patrons at the conclusion of a shooting event;

17 (42) All sales of motor fuel, as defined in section 142.800, used in any watercraft, as defined
18 in section 306.010;

19 (43) Any new or used aircraft sold or delivered in this state to a person who is not a resident
20 of this state or a corporation that is not incorporated in this state, and such aircraft is not to be based
21 in this state and shall not remain in this state more than ten business days subsequent to the last to
22 occur of:

23 (a) The transfer of title to the aircraft to a person who is not a resident of this state or a
24 corporation that is not incorporated in this state; or

25 (b) The date of the return to service of the aircraft in accordance with 14 CFR 91.407 for
26 any maintenance, preventive maintenance, rebuilding, alterations, repairs, or installations that are
27 completed contemporaneously with the transfer of title to the aircraft to a person who is not a
28 resident of this state or a corporation that is not incorporated in this state;

29 (44) Motor vehicles registered in excess of fifty-four thousand pounds, and the trailers
30 pulled by such motor vehicles, that are actually used in the normal course of business to haul
31 property on the public highways of the state, and that are capable of hauling loads commensurate
32 with the motor vehicle's registered weight; and the materials, replacement parts, and equipment
33 purchased for use directly upon, and for the repair and maintenance or manufacture of such vehicles.
34 For purposes of this subdivision, "motor vehicle" and "public highway" shall have the meaning as
35 ascribed in section 390.020;

36 (45) All internet access or the use of internet access regardless of whether the tax is imposed
37 on a provider of internet access or a buyer of internet access. For purposes of this subdivision, the
38 following terms shall mean:

1 (a) "Direct costs", costs incurred by a governmental authority solely because of an internet
2 service provider's use of the public right-of-way. The term shall not include costs that the
3 governmental authority would have incurred if the internet service provider did not make such use
4 of the public right-of-way. Direct costs shall be determined in a manner consistent with generally
5 accepted accounting principles;

6 (b) "Internet", computer and telecommunications facilities, including equipment and
7 operating software, that comprises the interconnected worldwide network that employ the
8 transmission control protocol or internet protocol, or any predecessor or successor protocols to that
9 protocol, to communicate information of all kinds by wire or radio;

10 (c) "Internet access", a service that enables users to connect to the internet to access content,
11 information, or other services without regard to whether the service is referred to as
12 telecommunications, communications, transmission, or similar services, and without regard to
13 whether a provider of the service is subject to regulation by the Federal Communications
14 Commission as a common carrier under 47 U.S.C. Section 201, et seq. For purposes of this
15 subdivision, internet access also includes: the purchase, use, or sale of communications services,
16 including telecommunications services as defined in section 144.010, to the extent the
17 communications services are purchased, used, or sold to provide the service described in this
18 subdivision or to otherwise enable users to access content, information, or other services offered
19 over the internet; services that are incidental to the provision of a service described in this
20 subdivision, when furnished to users as part of such service, including a home page, electronic mail,
21 and instant messaging, including voice-capable and video-capable electronic mail and instant
22 messaging, video clips, and personal electronic storage capacity; a home page electronic mail and
23 instant messaging, including voice-capable and video-capable electronic mail and instant
24 messaging, video clips, and personal electronic storage capacity that are provided independently or
25 that are not packed with internet access. As used in this subdivision, internet access does not
26 include voice, audio, and video programming or other products and services, except services
27 described in this paragraph or this subdivision, that use internet protocol or any successor protocol
28 and for which there is a charge, regardless of whether the charge is separately stated or aggregated
29 with the charge for services described in this paragraph or this subdivision;

30 (d) "Tax", any charge imposed by the state or a political subdivision of the state for the
31 purpose of generating revenues for governmental purposes and that is not a fee imposed for a
32 specific privilege, service, or benefit conferred, except as described as otherwise under this
33 subdivision, or any obligation imposed on a seller to collect and to remit to the state or a political
34 subdivision of the state any gross retail tax, sales tax, or use tax imposed on a buyer by such a
35 governmental entity. The term tax shall not include any franchise fee or similar fee imposed or
36 authorized under sections 67.1830 to 67.1846 or section 67.2689; Section 622 or 653 of the
37 Communications Act of 1934, 47 U.S.C. Section 542 and 47 U.S.C. Section 573; or any other fee
38 related to obligations of telecommunications carriers under the Communications Act of 1934, 47
39 U.S.C. Section 151, et seq., except to the extent that:

1 a. The fee is not imposed for the purpose of recovering direct costs incurred by the
 2 franchising or other governmental authority from providing the specific privilege, service, or benefit
 3 conferred to the payer of the fee; or

4 b. The fee is imposed for the use of a public right-of-way based on a percentage of the
 5 service revenue, and the fee exceeds the incremental direct costs incurred by the governmental
 6 authority associated with the provision of that right-of-way to the provider of internet access service.
 7

8 Nothing in this subdivision shall be interpreted as an exemption from taxes due on goods or services
 9 that were subject to tax on January 1, 2016;

10 (46) All purchases by a company of solar photovoltaic energy systems, components used to
 11 construct a solar photovoltaic energy system, and all purchases of materials and supplies used
 12 directly to construct or make improvements to such systems, provided that such systems:

13 (a) Are sold or leased to an end user; or

14 (b) Are used to produce, collect and transmit electricity for resale or retail;

15 (47) All boat docks and the rental or lease thereof.

16 3. Any ruling, agreement, or contract, whether written or oral, express or implied, between a
 17 person and this state's executive branch, or any other state agency or department, stating, agreeing,
 18 or ruling that such person is not required to collect sales and use tax in this state despite the presence
 19 of a warehouse, distribution center, or fulfillment center in this state that is owned or operated by the
 20 person or an affiliated person shall be null and void unless it is specifically approved by a majority
 21 vote of each of the houses of the general assembly. For purposes of this subsection, an "affiliated
 22 person" means any person that is a member of the same controlled group of corporations as defined
 23 in Section 1563(a) of the Internal Revenue Code of 1986, as amended, as the vendor or any other
 24 entity that, notwithstanding its form of organization, bears the same ownership relationship to the
 25 vendor as a corporation that is a member of the same controlled group of corporations as defined in
 26 Section 1563(a) of the Internal Revenue Code, as amended."; and
 27

28 ~~[137.037. 1. The county commission of any county may, at any election,~~
 29 ~~submit to the voters of the county a proposition to authorize a levy not to exceed~~
 30 ~~two mills on the dollar of assessed valuation of all tangible property taxable by the~~
 31 ~~county to pay the cost of contracting with a private person or firm to reevaluate all~~
 32 ~~real property subject to taxation by that county or to provide funding for that~~
 33 ~~portion of all costs of the assessor's office which would otherwise be paid from~~
 34 ~~county general revenues.~~

35 ~~2. The question shall be submitted in substantially the following form:~~
 36 ~~Shall the county commission be authorized to levy a tax not to exceed~~
 37 ~~twenty cents on the hundred dollars assessed valuation on all property taxable by~~
 38 ~~the county to provide funds annually to pay the cost of assessing and equalizing~~
 39 ~~real property values subject to taxation by the county?~~

40 ~~3. If the question receives a majority of the votes cast thereon, the county~~
 41 ~~commission may impose a levy for that purpose, the proceeds of which shall be~~
 42 ~~placed in the assessment fund.]~~

[137.112. 1. As used in sections 137.112 to 137.114, "deferred maintenance" means maintenance, repairs or replacements, as described in this section, to an existing dwelling consisting of any number of residential units, regardless of the classification of the real property for assessment purposes. The term "deferred maintenance" does not mean the addition of new construction to an existing building which increases the number of square feet of living space, nor does it mean maintenance, repairs, replacements, or new construction to a portion of an existing dwelling if such portion is used for commercial purposes.

2. Deferred maintenance includes the maintenance, repair or replacement of the following:

- (1) Broken floor joists, missing sections or collapsed interior floors;
- (2) Improperly installed or collapsing partitions, loose or missing plaster;
- (3) Broken or missing sash, frames or window panes;
- (4) Inadequate light or ventilation;
- (5) Missing or defective weather stripping or storm windows;
- (6) Missing or broken doors;
- (7) Collapsed or broken stairs, stairways or stair railings;
- (8) Missing or inoperative sanitary facilities;
- (9) Hazardous gas or electric installations;
- (10) Leaking sinks or defective drainboards;
- (11) Improperly installed, obstructed, broken or leaking piping, drains, vents or traps;
- (12) Inoperative or obsolete heating plant;
- (13) Electrical insulation missing or damaged, overloaded electrical circuits, improper electrical installations or connections;
- (14) Split or buckled basement support beams, open breaks or severe settlement in basement walls;
- (15) Inadequate exterior wall and attic insulation;
- (16) Open cracks or breaks in exterior building walls;
- (17) Holes or cracks through roof, defective roof flashing or skylights;
- (18) Collapsing or deteriorating chimneys;
- (19) Broken or missing gutters and downspouts;
- (20) Rotted fascia boards, eaves, soffits and cornices;
- (21) Collapsed or broken porch joists, columns or railings;
- (22) Rotted or broken porch flooring;
- (23) Missing or broken step treads; and
- (24) Exterior or interior paint.]

[137.113. The provisions of sections 137.112 to 137.114 shall apply only to the deferred maintenance of dwellings consisting of any number of residential units which is begun during the period January 1, 1978, to December 31, 1988, or which is begun during the period August 28, 1989, to December 31, 1998, regardless of the classification of the real property for assessment purposes.]

[137.114. 1. In making assessments of real property as required by the provisions of section 137.115, and in order to provide for the renovation of obsolete properties as authorized by Section 7 of Article X of the Missouri Constitution, the county assessor shall not, for a period of five years after a

1 deferred maintenance activity has been begun, add to the assessed value of a
 2 dwelling consisting of any number of residential units, regardless of the
 3 classification of the real property for assessment purposes, any additional assessed
 4 value because of deferred maintenance which has been begun upon such property
 5 during the period prescribed in section 137.113; except that, before any county
 6 assessor shall refrain from adding additional assessed valuation because of a
 7 deferred maintenance activity he shall determine that the property in question is on
 8 the tax rolls of the county and that no delinquent taxes on such property are due.

9 2. To be eligible for the tax relief afforded by subsection 1 of this section,
 10 a dwelling must be located on real property within an area satisfying the
 11 description set forth in Section 7 of Article X of the Missouri Constitution. The
 12 governing body of each unit of local government of this state shall designate such
 13 areas within its boundaries by resolution, order, or ordinance, and each such
 14 resolution, order, or ordinance shall indicate the length of time the designation is
 15 to exist. Within thirty days of the date such resolution, order, or ordinance is
 16 passed, the unit of local government shall provide the assessor of the county or the
 17 city not within a county in which the designated area lies, a certified copy of the
 18 resolution, order, or ordinance designating the area and a map of the area so
 19 designated clearly showing the boundaries of the area, as well as all the streets
 20 lying within the area. Each unit of local government which designates an area for
 21 the tax relief set forth in subsection 1 of this section shall establish a procedure
 22 whereby any person may apply to the unit of local government, or an agency
 23 thereof, for certification that a designated dwelling lies within an area duly
 24 designated for such tax relief. This certification shall also specify the items of
 25 deferred maintenance completed on the dwelling. Within twenty days after the
 26 issuance of such a certificate, the unit of local government shall transmit to the
 27 assessor of the county or city not within a county in which the real property lies a
 28 copy of the certificate. Upon receipt of such certificate, the assessor shall
 29 determine whether the property in question is eligible for the assessment
 30 postponement provided for in subsection 1 of this section and shall issue to the
 31 owner of the real property a formal declaration of whether such tax relief is to be
 32 made available, and, if so, also indicating the assessed valuation of the real
 33 property immediately prior to the deferred maintenance and the term of the
 34 assessment postponement. As used in this subsection, the phrase "unit of local
 35 government" shall mean the municipality within whose boundaries the area to be
 36 designated lies. If the area does not lie within the boundaries of any municipality,
 37 then "unit of local government" shall mean the county within whose boundaries
 38 the area to be designated lies.]

39
 40 [137.190. Any person, company or corporation that may hereafter violate
 41 the provisions of section 137.185 shall upon conviction be deemed guilty of a
 42 misdemeanor.]

43
 44 [137.240. In every county where, from the length of the assessment lists, it
 45 appears to the county commission of the county to be impossible or impracticable
 46 to include the lists in one book, the commission shall enter of record an order
 47 requiring the lists to be made in two or more volumes. Thereafter the assessment
 48 book or list shall be made in two or more separate volumes, numbered
 49 consecutively, and the affidavit required by section 137.245 shall be annexed to

each volume, referring therein to the other volumes by inserting in lieu of the word "book", in the latter part of the affidavit, the words "volume and in volume _____ (herewith returned)".]

[137.320. If the clerk neglects or refuses to transmit the abstract as required by section 137.295, he shall forfeit to the state the sum of one hundred dollars, to be recovered in its name by civil action. The certificate of the director of revenue, authenticated by the seal of his office, setting forth the failure to comply with section 137.295, is prima facie evidence of the facts certified on the trial of the action.]

[137.380. Such books or lists may be made in one or more volumes numbered consecutively; and in such case the affidavit required by section 137.375 shall be annexed to each volume, referring therein to the other volumes by inserting in lieu of the word "book" in the latter part of said affidavit, the words "volume and in volume _____ (herewith returned)."]

[137.480. It shall be the duty of the state tax commission to make out and forward to the county clerks of the several counties that have or may hereafter adopt township organizations for the use of such county clerks and other officers, suitable forms and instructions relating to the discharge of their duties; and all such instruction shall be strictly complied with by said officers; it shall give its opinion and advice on all questions of doubt as to the true intent and meaning of the law pertaining to township organization.]

[138.435. 1. There is hereby established within the state tax commission the "Office of State Ombudsman for Property Assessment and Taxation" for the purpose of helping to assure the fairness, accountability, and transparency of the property tax process.

2. The office shall be administered by the state ombudsman, who shall devote his or her entire time to the duties of the position.

3. The office shall establish and implement procedures for receiving, processing, responding to, and resolving complaints made by or on behalf of taxpayers relating to assessments, valuation of property, tax levies of political subdivisions, and appeals before the assessor, board of equalization, or the state tax commission.

4. The ombudsman or representatives of the office shall have the authority to:

(1) Investigate any complaints or inquiries that come to the attention of the office. The ombudsman shall have access to review taxpayer records, if given permission by the taxpayer or the taxpayer's legal guardian. Taxpayers shall have the right to request, deny, or terminate any assistance that the ombudsman may provide;

(2) Make the necessary inquiries and review of such information and records as the ombudsman or representative of the office deems necessary to accomplish the objective of verifying these complaints.

5. The office shall acknowledge complaints, report its findings, make recommendations, gather and disseminate information and other material, and publicize its existence.

1 6. ~~The ombudsman may recommend to the relevant state or local~~
2 ~~governmental agency or political subdivision changes in the rules and regulations~~
3 ~~adopted or proposed by such governmental agency or political subdivision which~~
4 ~~do or may adversely affect the rights or privileges of taxpayers. The office shall~~
5 ~~analyze and monitor the development and implementation of federal, state and~~
6 ~~local laws, regulations, and policies with respect to property assessment and~~
7 ~~taxation, and shall recommend to the state tax commission changes in such laws,~~
8 ~~regulations, and policies deemed by the office to be appropriate.~~

9 7. ~~The office shall promote community contact and involvement with~~
10 ~~taxpayers through the use of volunteers and volunteer programs to encourage~~
11 ~~citizen involvement in the property tax process.~~

12 8. ~~The office shall prepare and distribute to each county written notices~~
13 ~~which set forth the address, telephone number, and email address of the office, a~~
14 ~~brief explanation of the function of the office, the procedure to follow in filing a~~
15 ~~complaint, and other pertinent information.~~

16 9. ~~The county shall ensure that such written notice is available upon~~
17 ~~request of any taxpayer.~~

18 10. ~~The office shall inform taxpayers or their legal guardians of their~~
19 ~~rights and entitlements by means of the distribution of educational materials and~~
20 ~~group meetings.]~~

21
22 [138.480. ~~The state tax commission is hereby authorized to cause to be~~
23 ~~destroyed, by burning, in the presence of the state tax commission, the papers~~
24 ~~herein designated, after a period of five years after the filing thereof, to wit: All~~
25 ~~tax returns of all individuals, firms, partnerships, and corporations; provided, that~~
26 ~~no such returns shall be burned as long as any tax based thereon shall be in~~
27 ~~litigation, or unpaid.]"~~; and

28
29 Further amend said bill by amending the title, enacting clause, and intersectional references
30 accordingly.