

House \_\_\_\_\_ Amendment NO. \_\_\_\_\_

Offered By

1 AMEND Senate Substitute for Senate Bill No. 540, Pages 1-2, Section, 42.312, Lines 1-30, by  
2 deleting all of said section and lines and inserting in lieu thereof the following:

3  
4 "137.115. 1. All other laws to the contrary notwithstanding, the assessor or the assessor's  
5 deputies in all counties of this state including the City of St. Louis shall annually make a list of all  
6 real and tangible personal property taxable in the assessor's city, county, town or district. Except as  
7 otherwise provided in subsection 3 of this section and section 137.078, for all calendar years ending  
8 on or before December 31, 2023, the assessor shall annually assess all personal property at thirty-  
9 three and one-third percent of its true value in money as of January first of each calendar year.  
10 Except as otherwise provided in subsection 3 of this section and section 137.078, for all calendar  
11 years beginning on or after January 1, 2024, the assessor shall annually assess all personal property  
12 at thirty-two and eight-tenths percent of its true value in money as of January first of each calendar  
13 year. The assessor shall annually assess all real property, including any new construction and  
14 improvements to real property, and possessory interests in real property at the percent of its true  
15 value in money set in subsection 5 of this section. The true value in money of any possessory  
16 interest in real property in subclass (3), where such real property is on or lies within the ultimate  
17 airport boundary as shown by a federal airport layout plan, as defined by 14 CFR 151.5, of a  
18 commercial airport having a FAR Part 139 certification and owned by a political subdivision, shall  
19 be the otherwise applicable true value in money of any such possessory interest in real property, less  
20 the total dollar amount of costs paid by a party, other than the political subdivision, towards any new  
21 construction or improvements on such real property completed after January 1, 2008, and which are  
22 included in the above-mentioned possessory interest, regardless of the year in which such costs were  
23 incurred or whether such costs were considered in any prior year. The assessor shall annually assess  
24 all real property in the following manner: new assessed values shall be determined as of January  
25 first of each odd-numbered year and shall be entered in the assessor's books; those same assessed  
26 values shall apply in the following even-numbered year, except for new construction and property  
27 improvements which shall be valued as though they had been completed as of January first of the  
28 preceding odd-numbered year. The assessor may call at the office, place of doing business, or  
29 residence of each person required by this chapter to list property, and require the person to make a  
30 correct statement of all taxable tangible personal property owned by the person or under his or her  
31 care, charge or management, taxable in the county. On or before January first of each even-  
32 numbered year, the assessor shall prepare and submit a two-year assessment maintenance plan to the  
33 county governing body and the state tax commission for their respective approval or modification.  
34 The county governing body shall approve and forward such plan or its alternative to the plan to the  
35 state tax commission by February first. If the county governing body fails to forward the plan or its  
36 alternative to the plan to the state tax commission by February first, the assessor's plan shall be

Action Taken \_\_\_\_\_ Date \_\_\_\_\_

1 considered approved by the county governing body. If the state tax commission fails to approve a  
 2 plan and if the state tax commission and the assessor and the governing body of the county involved  
 3 are unable to resolve the differences, in order to receive state cost-share funds outlined in section  
 4 137.750, the county or the assessor shall petition the administrative hearing commission, by May  
 5 first, to decide all matters in dispute regarding the assessment maintenance plan. Upon agreement  
 6 of the parties, the matter may be stayed while the parties proceed with mediation or arbitration upon  
 7 terms agreed to by the parties. The final decision of the administrative hearing commission shall be  
 8 subject to judicial review in the circuit court of the county involved. In the event a valuation of  
 9 subclass (1) real property within any county with a charter form of government, or within a city not  
 10 within a county, is made by a computer, computer-assisted method or a computer program, the  
 11 burden of proof, supported by clear, convincing and cogent evidence to sustain such valuation, shall  
 12 be on the assessor at any hearing or appeal. In any such county, unless the assessor proves  
 13 otherwise, there shall be a presumption that the assessment was made by a computer, computer-  
 14 assisted method or a computer program. Such evidence shall include, but shall not be limited to, the  
 15 following:

16 (1) The findings of the assessor based on an appraisal of the property by generally accepted  
 17 appraisal techniques; and

18 (2) The purchase prices from sales of at least three comparable properties and the address or  
 19 location thereof. As used in this subdivision, the word "comparable" means that:

20 (a) Such sale was closed at a date relevant to the property valuation; and

21 (b) Such properties are not more than one mile from the site of the disputed property, except  
 22 where no similar properties exist within one mile of the disputed property, the nearest comparable  
 23 property shall be used. Such property shall be within five hundred square feet in size of the disputed  
 24 property, and resemble the disputed property in age, floor plan, number of rooms, and other relevant  
 25 characteristics.

26 2. Assessors in each county of this state and the City of St. Louis may send personal  
 27 property assessment forms through the mail.

28 3. The following items of personal property shall each constitute separate subclasses of  
 29 tangible personal property and shall be assessed and valued for the purposes of taxation at the  
 30 following percentages of their true value in money:

31 (1) Grain and other agricultural crops in an unmanufactured condition, one-half of one  
 32 percent;

33 (2) Livestock, twelve percent;

34 (3) Farm machinery, twelve percent;

35 (4) Motor vehicles which are eligible for registration as and are registered as historic motor  
 36 vehicles pursuant to section 301.131 and aircraft which are at least twenty-five years old and which  
 37 are used solely for noncommercial purposes and are operated less than two hundred hours per year  
 38 or aircraft that are home built from a kit, five percent;

39 (5) Poultry, twelve percent; and

40 (6) Tools and equipment used for pollution control and tools and equipment used in  
 41 retooling for the purpose of introducing new product lines or used for making improvements to  
 42 existing products by any company which is located in a state enterprise zone and which is identified  
 43 by any standard industrial classification number cited in subdivision (7) of section 135.200, twenty-  
 44 five percent.

45 4. The person listing the property shall enter a true and correct statement of the property, in  
 46 a printed blank prepared for that purpose. The statement, after being filled out, shall be signed and  
 47 either affirmed or sworn to as provided in section 137.155. The list shall then be delivered to the  
 48 assessor.

49 5. (1) All subclasses of real property, as such subclasses are established in Section 4(b) of

1 Article X of the Missouri Constitution and defined in section 137.016, shall be assessed at the  
2 following percentages of true value:

- 3 (a) For real property in subclass (1), nineteen percent;
- 4 (b) For real property in subclass (2), twelve percent; and
- 5 (c) For real property in subclass (3), thirty-two percent.

6 (2) A taxpayer may apply to the county assessor, or, if not located within a county, then the  
7 assessor of such city, for the reclassification of such taxpayer's real property if the use or purpose of  
8 such real property is changed after such property is assessed under the provisions of this chapter. If  
9 the assessor determines that such property shall be reclassified, he or she shall determine the  
10 assessment under this subsection based on the percentage of the tax year that such property was  
11 classified in each subclassification.

12 6. Manufactured homes, as defined in section 700.010, which are actually used as dwelling  
13 units shall be assessed at the same percentage of true value as residential real property for the  
14 purpose of taxation. The percentage of assessment of true value for such manufactured homes shall  
15 be the same as for residential real property. If the county collector cannot identify or find the  
16 manufactured home when attempting to attach the manufactured home for payment of taxes owed  
17 by the manufactured home owner, the county collector may request the county commission to have  
18 the manufactured home removed from the tax books, and such request shall be granted within thirty  
19 days after the request is made; however, the removal from the tax books does not remove the tax  
20 lien on the manufactured home if it is later identified or found. For purposes of this section, a  
21 manufactured home located in a manufactured home rental park, rental community or on real estate  
22 not owned by the manufactured home owner shall be considered personal property. For purposes of  
23 this section, a manufactured home located on real estate owned by the manufactured home owner  
24 may be considered real property.

25 7. Each manufactured home assessed shall be considered a parcel for the purpose of  
26 reimbursement pursuant to section 137.750, unless the manufactured home is deemed to be real  
27 estate as defined in subsection 7 of section 442.015 and assessed as a realty improvement to the  
28 existing real estate parcel.

29 8. Any amount of tax due and owing based on the assessment of a manufactured home shall  
30 be included on the personal property tax statement of the manufactured home owner unless the  
31 manufactured home is deemed to be real estate as defined in subsection 7 of section 442.015, in  
32 which case the amount of tax due and owing on the assessment of the manufactured home as a realty  
33 improvement to the existing real estate parcel shall be included on the real property tax statement of  
34 the real estate owner.

35 9. (1) To determine the true value in money for motor vehicles, the assessor of each county  
36 and each city not within a county shall use the [trade-in value published in the October issue of the  
37 National Automobile Dealers' Association Official Used Car Guide, or its successor publication, as  
38 the recommended guide of information for determining the true value of motor vehicles described in  
39 such publication. The assessor shall not use a value that is greater than the average trade-in value in  
40 determining the true value of the motor vehicle without performing a physical inspection of the  
41 motor vehicle. For vehicles two years old or newer from a vehicle's model year, the assessor may  
42 use a value other than average without performing a physical inspection of the motor vehicle. In the  
43 absence of a listing for a particular motor vehicle in such publication, the assessor shall use such  
44 information or publications which in the assessor's judgment will fairly estimate the true value in  
45 money of the motor vehicle.] trade-in value published in the current or any of the three immediately  
46 previous years' October issue of a nationally recognized automotive trade publication selected by the  
47 state tax commission. The assessor shall not use a value that is greater than the average trade-in  
48 value for such motor vehicle in determining the true value of the motor vehicle without performing  
49 a physical inspection of the motor vehicle. For vehicles two years old or newer from a vehicle's

1 model year, the assessor may use a value other than the average without performing a physical  
 2 inspection of the motor vehicle. In the absence of a listing for a particular motor vehicle in such  
 3 publication, the assessor shall use such information or publications which, in the assessor's  
 4 judgment, will fairly estimate the true value in money of the motor vehicle.

5 (2) For all tax years beginning on or after January 1, 2025, the assessor shall apply the  
 6 following depreciation schedule to the trade-in value of the motor vehicle as determined pursuant to  
 7 subdivision (1) of this subsection:

<u>Years since manufacture</u>	<u>Percent Depreciation</u>
<u>Current</u>	<u>15</u>
<u>1</u>	<u>25</u>
<u>2</u>	<u>32.5</u>
<u>3</u>	<u>39.3</u>
<u>4</u>	<u>45.3</u>
<u>5</u>	<u>50.8</u>
<u>6</u>	<u>55.7</u>
<u>7</u>	<u>60.1</u>
<u>8</u>	<u>64.1</u>
<u>9</u>	<u>67.7</u>
<u>10</u>	<u>71</u>
<u>11</u>	<u>75.2</u>
<u>12</u>	<u>79.2</u>
<u>13</u>	<u>83.2</u>
<u>14</u>	<u>87.2</u>
<u>15</u>	<u>90</u>
<u>Greater than 15</u>	<u>99.9% or a minimum value of \$300, whichever is higher</u>

8  
 9 Notwithstanding the provisions of this subdivision to the contrary, in no case shall the assessed  
 10 value of a motor vehicle, as depreciated pursuant to this subdivision, be less than three hundred  
 11 dollars.

12 (3) To implement the provisions of this subsection without large variations from the method  
 13 in effect prior to January 1, 2024, the assessor shall assume that the last valuation tables used prior  
 14 to October 1, 2024, are fair valuations and these valuations shall be depreciated from the table  
 15 provided in subdivision (2) of this subsection until the end of their useful life. The state tax

1 commission shall secure an annual appropriation from the general assembly for the publication used  
2 pursuant to subdivision (1) of this subsection. The state tax commission or the state of Missouri  
3 shall be the registered user of the publication with rights to allow all assessors access to the  
4 publication. The publication shall be available to all assessors by December fifteenth of each year.

5 10. Before the assessor may increase the assessed valuation of any parcel of subclass (1)  
6 real property by more than fifteen percent since the last assessment, excluding increases due to new  
7 construction or improvements, the assessor shall conduct a physical inspection of such property.

8 11. If a physical inspection is required, pursuant to subsection 10 of this section, the assessor  
9 shall notify the property owner of that fact in writing and shall provide the owner clear written  
10 notice of the owner's rights relating to the physical inspection. If a physical inspection is required,  
11 the property owner may request that an interior inspection be performed during the physical  
12 inspection. The owner shall have no less than thirty days to notify the assessor of a request for an  
13 interior physical inspection.

14 12. A physical inspection, as required by subsection 10 of this section, shall include, but not  
15 be limited to, an on-site personal observation and review of all exterior portions of the land and any  
16 buildings and improvements to which the inspector has or may reasonably and lawfully gain  
17 external access, and shall include an observation and review of the interior of any buildings or  
18 improvements on the property upon the timely request of the owner pursuant to subsection 11 of this  
19 section. Mere observation of the property via a drive-by inspection or the like shall not be  
20 considered sufficient to constitute a physical inspection as required by this section.

21 13. A county or city collector may accept credit cards as proper form of payment of  
22 outstanding property tax or license due. No county or city collector may charge surcharge for  
23 payment by credit card which exceeds the fee or surcharge charged by the credit card bank,  
24 processor, or issuer for its service. A county or city collector may accept payment by electronic  
25 transfers of funds in payment of any tax or license and charge the person making such payment a fee  
26 equal to the fee charged the county by the bank, processor, or issuer of such electronic payment.

27 14. Any county or city not within a county in this state may, by an affirmative vote of the  
28 governing body of such county, opt out of the provisions of this section and sections 137.073,  
29 138.060, and 138.100 as enacted by house bill no. 1150 of the ninety-first general assembly, second  
30 regular session and section 137.073 as modified by house committee substitute for senate substitute  
31 for senate committee substitute for senate bill no. 960, ninety-second general assembly, second  
32 regular session, for the next year of the general reassessment, prior to January first of any year. No  
33 county or city not within a county shall exercise this opt-out provision after implementing the  
34 provisions of this section and sections 137.073, 138.060, and 138.100 as enacted by house bill no.  
35 1150 of the ninety-first general assembly, second regular session and section 137.073 as modified by  
36 house committee substitute for senate substitute for senate committee substitute for senate bill no.  
37 960, ninety-second general assembly, second regular session, in a year of general reassessment. For  
38 the purposes of applying the provisions of this subsection, a political subdivision contained within  
39 two or more counties where at least one of such counties has opted out and at least one of such  
40 counties has not opted out shall calculate a single tax rate as in effect prior to the enactment of house  
41 bill no. 1150 of the ninety-first general assembly, second regular session. A governing body of a  
42 city not within a county or a county that has opted out under the provisions of this subsection may  
43 choose to implement the provisions of this section and sections 137.073, 138.060, and 138.100 as  
44 enacted by house bill no. 1150 of the ninety-first general assembly, second regular session, and  
45 section 137.073 as modified by house committee substitute for senate substitute for senate  
46 committee substitute for senate bill no. 960, ninety-second general assembly, second regular session,  
47 for the next year of general reassessment, by an affirmative vote of the governing body prior to  
48 December thirty-first of any year.

49 15. The governing body of any city of the third classification with more than twenty-six

1 thousand three hundred but fewer than twenty-six thousand seven hundred inhabitants located in any  
 2 county that has exercised its authority to opt out under subsection 14 of this section may levy  
 3 separate and differing tax rates for real and personal property only if such city bills and collects its  
 4 own property taxes or satisfies the entire cost of the billing and collection of such separate and  
 5 differing tax rates. Such separate and differing rates shall not exceed such city's tax rate ceiling.

6 16. Any portion of real property that is available as reserve for strip, surface, or coal mining  
 7 for minerals for purposes of excavation for future use or sale to others that has not been bonded and  
 8 permitted under chapter 444 shall be assessed based upon how the real property is currently being  
 9 used. Any information provided to a county assessor, state tax commission, state agency, or  
 10 political subdivision responsible for the administration of tax policies shall, in the performance of its  
 11 duties, make available all books, records, and information requested, except such books, records,  
 12 and information as are by law declared confidential in nature, including individually identifiable  
 13 information regarding a specific taxpayer or taxpayer's mine property. For purposes of this  
 14 subsection, "mine property" shall mean all real property that is in use or readily available as a  
 15 reserve for strip, surface, or coal mining for minerals for purposes of excavation for current or future  
 16 use or sale to others that has been bonded and permitted under chapter 444.

17 137.1050. 1. For the purposes of this section, the following terms shall mean:

18 (1) "Eligible credit amount", the difference between an eligible taxpayer's real property tax  
 19 liability on such taxpayer's homestead for a given tax year, minus the real property tax liability on  
 20 such homestead in the year that the taxpayer became an eligible taxpayer;

21 (2) "Eligible taxpayer", a Missouri resident who:

22 (a) Is eligible for Social Security retirement benefits;

23 (b) Is an owner of record of a homestead or has a legal or equitable interest in such property  
 24 as evidenced by a written instrument; and

25 (c) Is liable for the payment of real property taxes on such homestead;

26 (3) "Homestead", real property actually occupied by an eligible taxpayer as the primary  
 27 residence. An eligible taxpayer shall not claim more than one primary residence;

28 (4) "Real property tax liability", the amount of revenue derived from the tax imposed on an  
 29 eligible taxpayer's homestead that is:

30 (a) Collected by the county in which such eligible taxpayer's homestead is located; and

31 (b) Available under state law for appropriation by such county in such county's annual  
 32 budget for county expenditures.

33 2. Any county authorized to impose a property tax may grant a property tax credit to eligible  
 34 taxpayers residing in such county in an amount equal to the taxpayer's eligible credit amount,  
 35 provided that:

36 (1) Such county adopts an ordinance authorizing such credit; or

37 (2) (a) A petition in support of a referendum on such a credit is signed by at least five  
 38 percent of the registered voters of such county voting in the last gubernatorial election and the  
 39 petition is delivered to the governing body of the county, which shall subsequently hold a  
 40 referendum on such credit.

41 (b) The ballot of submission for the question submitted to the voters pursuant to paragraph  
 42 (a) of this subdivision shall be in substantially the following form:

Shall the County of \_\_\_\_\_ exempt senior citizens from increases in the  
property tax liability due on such seniors citizens' primary residence?

YES

NO

1  
2 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of  
3 the proposal, then the credit shall be in effect.

4 3. A county granting an exemption pursuant to this section shall apply such exemption when  
5 calculating the eligible taxpayer's property tax liability for the tax year. The amount of the credit  
6 shall be noted on the statement of tax due sent to the eligible taxpayer by the county collector.

7 4. For the purposes of calculating property tax levies pursuant to section 137.073, the total  
8 amount of credits authorized by a county pursuant to this section shall be considered tax revenue, as  
9 such term is defined in section 137.073, actually received by the county.

10 143.022. 1. As used in this section, "business income" means the income greater than zero  
11 arising from transactions in the regular course of all of a taxpayer's trade or business and shall be  
12 limited to the Missouri source net profit from the combination of the following:

13 (1) The total combined profit as properly reported to the Internal Revenue Service on each  
14 Schedule C, or its successor form, filed; ~~and~~

15 (2) The total partnership and S corporation income or loss properly reported to the Internal  
16 Revenue Service on Part II of Schedule E, or its successor form;

17 (3) The total combined profit as properly reported to the Internal Revenue Service on each  
18 Schedule F, or its successor form, filed; and

19 (4) The total combined profit as properly reported to the Internal Revenue Service on each  
20 Form 4835, or its successor form, filed.

21 2. In addition to all other modifications allowed by law, there shall be subtracted from the  
22 federal adjusted gross income of an individual taxpayer a percentage of such individual's business  
23 income, to the extent that such amounts are included in federal adjusted gross income when  
24 determining such individual's Missouri adjusted gross income and are not otherwise subtracted or  
25 deducted in determining such individual's Missouri taxable income.

26 3. In the case of an S corporation described in section 143.471 or a partnership computing  
27 the deduction allowed under subsection 2 of this section, taxpayers described in subdivision (1) or  
28 (2) of this subsection shall be allowed such deduction apportioned in proportion to their share of  
29 ownership of the business as reported on the taxpayer's Schedule K-1, or its successor form, for the  
30 tax period for which such deduction is being claimed when determining the Missouri adjusted gross  
31 income of:

32 (1) The shareholders of an S corporation as described in section 143.471;

33 (2) The partners in a partnership.

34 4. The percentage to be subtracted under subsection 2 of this section shall be increased over  
35 a period of years. Each increase in the percentage shall be by five percent and no more than one  
36 increase shall occur in a calendar year. The maximum percentage that may be subtracted is twenty  
37 percent of business income. Any increase in the percentage that may be subtracted shall take effect  
38 on January first of a calendar year and such percentage shall continue in effect until the next  
39 percentage increase occurs. An increase shall only apply to tax years that begin on or after the  
40 increase takes effect.

41 5. An increase in the percentage that may be subtracted under subsection 2 of this section  
42 shall only occur if the amount of net general revenue collected in the previous fiscal year exceeds  
43 the highest amount of net general revenue collected in any of the three fiscal years prior to such  
44 fiscal year by at least one hundred fifty million dollars.

45 6. The first year that a taxpayer may make the subtraction under subsection 2 of this section  
46 is 2017, provided that the provisions of subsection 5 of this section are met. If the provisions of  
47 subsection 5 of this section are met, the percentage that may be subtracted in 2017 is five percent.";  
48 and

1 Further amend said bill, Page 4, Section 143.175, Line 38, by inserting after all of said section and  
2 line the following:

3  
4 "144.030. 1. There is hereby specifically exempted from the provisions of sections 144.010  
5 to 144.525 and from the computation of the tax levied, assessed or payable pursuant to sections  
6 144.010 to 144.525 such retail sales as may be made in commerce between this state and any other  
7 state of the United States, or between this state and any foreign country, and any retail sale which  
8 the state of Missouri is prohibited from taxing pursuant to the Constitution or laws of the United  
9 States of America, and such retail sales of tangible personal property which the general assembly of  
10 the state of Missouri is prohibited from taxing or further taxing by the constitution of this state.

11 2. There are also specifically exempted from the provisions of the local sales tax law as  
12 defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.761  
13 and from the computation of the tax levied, assessed or payable pursuant to the local sales tax law as  
14 defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to  
15 144.745:

16 (1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of such  
17 excise tax is refunded pursuant to section 142.824; or upon the sale at retail of fuel to be consumed  
18 in manufacturing or creating gas, power, steam, electrical current or in furnishing water to be sold  
19 ultimately at retail; or feed for livestock or poultry; or grain to be converted into foodstuffs which  
20 are to be sold ultimately in processed form at retail; or seed, limestone or fertilizer which is to be  
21 used for seeding, liming or fertilizing crops which when harvested will be sold at retail or will be  
22 fed to livestock or poultry to be sold ultimately in processed form at retail; economic poisons  
23 registered pursuant to the provisions of the Missouri pesticide registration law, sections 281.220 to  
24 281.310, which are to be used in connection with the growth or production of crops, fruit trees or  
25 orchards applied before, during, or after planting, the crop of which when harvested will be sold at  
26 retail or will be converted into foodstuffs which are to be sold ultimately in processed form at retail;

27 (2) Materials, manufactured goods, machinery and parts which when used in manufacturing,  
28 processing, compounding, mining, producing or fabricating become a component part or ingredient  
29 of the new personal property resulting from such manufacturing, processing, compounding, mining,  
30 producing or fabricating and which new personal property is intended to be sold ultimately for final  
31 use or consumption; and materials, including without limitation, gases and manufactured goods,  
32 including without limitation slagging materials and firebrick, which are ultimately consumed in the  
33 manufacturing process by blending, reacting or interacting with or by becoming, in whole or in part,  
34 component parts or ingredients of steel products intended to be sold ultimately for final use or  
35 consumption;

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

39 (4) Replacement machinery, equipment, and parts and the materials and supplies solely  
40 required for the installation or construction of such replacement machinery, equipment, and parts,  
41 used directly in manufacturing, mining, fabricating or producing a product which is intended to be  
42 sold ultimately for final use or consumption; and machinery and equipment, and the materials and  
43 supplies required solely for the operation, installation or construction of such machinery and  
44 equipment, purchased and used to establish new, or to replace or expand existing, material recovery  
45 processing plants in this state. For the purposes of this subdivision, a "material recovery processing  
46 plant" means a facility that has as its primary purpose the recovery of materials into a usable product  
47 or a different form which is used in producing a new product and shall include a facility or  
48 equipment which are used exclusively for the collection of recovered materials for delivery to a  
49 material recovery processing plant but shall not include motor vehicles used on highways. For



1 purposes of this section, the terms motor vehicle and highway shall have the same meaning pursuant  
2 to section 301.010. For the purposes of this subdivision, subdivision (5) of this subsection, and  
3 section 144.054, as well as the definition in subdivision (9) of subsection 1 of section 144.010, the  
4 term "product" includes telecommunications services and the term "manufacturing" shall include the  
5 production, or production and transmission, of telecommunications services. The preceding  
6 sentence does not make a substantive change in the law and is intended to clarify that the term  
7 "manufacturing" has included and continues to include the production and transmission of  
8 "telecommunications services", as enacted in this subdivision and subdivision (5) of this subsection,  
9 as well as the definition in subdivision (9) of subsection 1 of section 144.010. The preceding two  
10 sentences reaffirm legislative intent consistent with the interpretation of this subdivision and  
11 subdivision (5) of this subsection in *Southwestern Bell Tel. Co. v. Director of Revenue*, 78 S.W.3d  
12 763 (Mo. banc 2002) and *Southwestern Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d 226 (Mo.  
13 banc 2005), and accordingly abrogates the Missouri supreme court's interpretation of those  
14 exemptions in *IBM Corporation v. Director of Revenue*, 491 S.W.3d 535 (Mo. banc 2016) to the  
15 extent inconsistent with this section and *Southwestern Bell Tel. Co. v. Director of Revenue*, 78  
16 S.W.3d 763 (Mo. banc 2002) and *Southwestern Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d  
17 226 (Mo. banc 2005). The construction and application of this subdivision as expressed by the  
18 Missouri supreme court in *DST Systems, Inc. v. Director of Revenue*, 43 S.W.3d 799 (Mo. banc  
19 2001); *Southwestern Bell Tel. Co. v. Director of Revenue*, 78 S.W.3d 763 (Mo. banc 2002); and  
20 *Southwestern Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d 226 (Mo. banc 2005), is hereby  
21 affirmed. Material recovery is not the reuse of materials within a manufacturing process or the use  
22 of a product previously recovered. The material recovery processing plant shall qualify under the  
23 provisions of this section regardless of ownership of the material being recovered;

24 (5) Machinery and equipment, and parts and the materials and supplies solely required for  
25 the installation or construction of such machinery and equipment, purchased and used to establish  
26 new or to expand existing manufacturing, mining or fabricating plants in the state if such machinery  
27 and equipment is used directly in manufacturing, mining or fabricating a product which is intended  
28 to be sold ultimately for final use or consumption. The construction and application of this  
29 subdivision as expressed by the Missouri supreme court in *DST Systems, Inc. v. Director of*  
30 *Revenue*, 43 S.W.3d 799 (Mo. banc 2001); *Southwestern Bell Tel. Co. v. Director of Revenue*, 78  
31 S.W.3d 763 (Mo. banc 2002); and *Southwestern Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d  
32 226 (Mo. banc 2005), is hereby affirmed;

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

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

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

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

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

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

48 (12) Electrical energy used in the actual primary manufacture, processing, compounding,  
49 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  
40 dispense such samples and all sales or rental of medical oxygen, home respiratory equipment and  
41 accessories including parts, and hospital beds and accessories and ambulatory aids including parts,  
42 and all sales or rental of manual and powered wheelchairs including parts, and stairway lifts, Braille  
43 writers, electronic Braille equipment and, if purchased or rented by or on behalf of a person with  
44 one or more physical or mental disabilities to enable them to function more independently, all sales  
45 or rental of scooters including parts, and reading machines, electronic print enlargers and  
46 magnifiers, electronic alternative and augmentative communication devices, and items used solely  
47 to modify motor vehicles to permit the use of such motor vehicles by individuals with disabilities or  
48 sales of over-the-counter or nonprescription drugs to individuals with disabilities, and drugs  
49 required by the Food and Drug Administration to meet the over-the-counter drug product labeling

1 requirements in 21 CFR 201.66, or its successor, as prescribed by a health care practitioner licensed  
2 to prescribe;

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

6 (20) All sales of aircraft to common carriers for storage or for use in interstate commerce  
7 and all sales made by or to not-for-profit civic, social, service or fraternal organizations, including  
8 fraternal organizations which have been declared tax-exempt organizations pursuant to Section  
9 501(c)(8) or (10) of the 1986 Internal Revenue Code, as amended, in their civic or charitable  
10 functions and activities and all sales made to eleemosynary and penal institutions and industries of  
11 the state, and all sales made to any private not-for-profit institution of higher education not  
12 otherwise excluded pursuant to subdivision (19) of this subsection or any institution of higher  
13 education supported by public funds, and all sales made to a state relief agency in the exercise of  
14 relief functions and activities;

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

21 (22) All sales made to any private not-for-profit elementary or secondary school, all sales of  
22 feed additives, medications or vaccines administered to livestock or poultry in the production of  
23 food or fiber, all sales of pesticides used in the production of crops, livestock or poultry for food or  
24 fiber, all sales of bedding used in the production of livestock or poultry for food or fiber, all sales of  
25 propane or natural gas, electricity or diesel fuel used exclusively for drying agricultural crops,  
26 natural gas used in the primary manufacture or processing of fuel ethanol as defined in section  
27 142.028, natural gas, propane, and electricity used by an eligible new generation cooperative or an  
28 eligible new generation processing entity as defined in section 348.432, and all sales of farm  
29 machinery and equipment, other than airplanes, motor vehicles and trailers, and any freight charges  
30 on any exempt item. As used in this subdivision, the term "feed additives" means tangible personal  
31 property which, when mixed with feed for livestock or poultry, is to be used in the feeding of  
32 livestock or poultry. As used in this subdivision, the term "pesticides" includes adjuvants such as  
33 crop oils, surfactants, wetting agents and other assorted pesticide carriers used to improve or  
34 enhance the effect of a pesticide and the foam used to mark the application of pesticides and  
35 herbicides for the production of crops, livestock or poultry. As used in this subdivision, the term  
36 "farm machinery and equipment" shall mean:

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

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

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

49 a. Used exclusively for agricultural purposes;

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

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

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

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

17           (b) Regulated utility sellers shall determine whether individual purchases are exempt or  
18 nonexempt based upon the seller's utility service rate classifications as contained in tariffs on file  
19 with and approved by the Missouri public service commission. Sales and purchases made pursuant  
20 to the rate classification "residential" and sales to and purchases made by or on behalf of the  
21 occupants of residential apartments or condominiums through a single or master meter, including  
22 service for common areas and facilities and vacant units, shall be considered as sales made for  
23 domestic use and such sales shall be exempt from sales tax. Sellers shall charge sales tax upon the  
24 entire amount of purchases classified as nondomestic use. The seller's utility service rate  
25 classification and the provision of service thereunder shall be conclusive as to whether or not the  
26 utility must charge sales tax;

27           (c) Each person making domestic use purchases of services or property and who uses any  
28 portion of the services or property so purchased for a nondomestic use shall, by the fifteenth day of  
29 the fourth month following the year of purchase, and without assessment, notice or demand, file a  
30 return and pay sales tax on that portion of nondomestic purchases. Each person making  
31 nondomestic purchases of services or property and who uses any portion of the services or property  
32 so purchased for domestic use, and each person making domestic purchases on behalf of occupants  
33 of residential apartments or condominiums through a single or master meter, including service for  
34 common areas and facilities and vacant units, under a nonresidential utility service rate  
35 classification may, between the first day of the first month and the fifteenth day of the fourth month  
36 following the year of purchase, apply for credit or refund to the director of revenue and the director  
37 shall give credit or make refund for taxes paid on the domestic use portion of the purchase. The  
38 person making such purchases on behalf of occupants of residential apartments or condominiums  
39 shall have standing to apply to the director of revenue for such credit or refund;

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

43           (25) Excise taxes, collected on sales at retail, imposed by Sections 4041, 4071, 4081,  
44 [4091,] 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director of revenue  
45 shall promulgate rules pursuant to chapter 536 to eliminate all state and local sales taxes on such  
46 excise taxes;

47           (26) Sales of fuel consumed or used in the operation of ships, barges, or waterborne vessels  
48 which are used primarily in or for the transportation of property or cargo, or the conveyance of  
49 persons for hire, on navigable rivers bordering on or located in part in this state, if such fuel is

1 delivered by the seller to the purchaser's barge, ship, or waterborne vessel while it is afloat upon  
2 such river;

3 (27) All sales made to an interstate compact agency created pursuant to sections 70.370 to  
4 70.441 or sections 238.010 to 238.100 in the exercise of the functions and activities of such agency  
5 as provided pursuant to the compact;

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

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

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

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

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

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

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

24 (35) All sales of feed which are developed for and used in the feeding of pets owned by a  
25 commercial breeder when such sales are made to a commercial breeder, as defined in section  
26 273.325, and licensed pursuant to sections 273.325 to 273.357;

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

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

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

45 (37) All sales or other transfers of tangible personal property to a lessor who leases the  
46 property under a lease of one year or longer executed or in effect at the time of the sale or other  
47 transfer to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections  
48 238.010 to 238.100;

49 (38) Sales of tickets to any collegiate athletic championship event that is held in a facility

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

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

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

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

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

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

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

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

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

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

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

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

47 (c) "Internet access", a service that enables users to connect to the internet to access content,  
48 information, or other services without regard to whether the service is referred to as  
49 telecommunications, communications, transmission, or similar services, and without regard to

1 whether a provider of the service is subject to regulation by the Federal Communications  
 2 Commission as a common carrier under 47 U.S.C. Section 201, et seq. For purposes of this  
 3 subdivision, internet access also includes: the purchase, use, or sale of communications services,  
 4 including telecommunications services as defined in section 144.010, to the extent the  
 5 communications services are purchased, used, or sold to provide the service described in this  
 6 subdivision or to otherwise enable users to access content, information, or other services offered  
 7 over the internet; services that are incidental to the provision of a service described in this  
 8 subdivision, when furnished to users as part of such service, including a home page, electronic mail,  
 9 and instant messaging, including voice-capable and video-capable electronic mail and instant  
 10 messaging, video clips, and personal electronic storage capacity; a home page electronic mail and  
 11 instant messaging, including voice-capable and video-capable electronic mail and instant  
 12 messaging, video clips, and personal electronic storage capacity that are provided independently or  
 13 that are not packed with internet access. As used in this subdivision, internet access does not  
 14 include voice, audio, and video programming or other products and services, except services  
 15 described in this paragraph or this subdivision, that use internet protocol or any successor protocol  
 16 and for which there is a charge, regardless of whether the charge is separately stated or aggregated  
 17 with the charge for services described in this paragraph or this subdivision;

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

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

31 b. The fee is imposed for the use of a public right-of-way based on a percentage of the  
 32 service revenue, and the fee exceeds the incremental direct costs incurred by the governmental  
 33 authority associated with the provision of that right-of-way to the provider of internet access service.  
 34

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

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

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

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

42 (47) All sales of used tangible personal property purchased by a consumer for use or  
 43 consumption, and not for resale, for valuable consideration directly from a seller at an auction of  
 44 used tangible personal property or from another consumer. For the purposes of this section, "used  
 45 tangible personal property" is any tangible personal property that is sold a second time at an auction  
 46 or any number of additional subsequent times after the initial point of sale at an auction, upon which  
 47 a sales tax is levied. The term "used tangible personal property" shall not include motor vehicles,  
 48 trailers, boats, or outboard motors purchased or acquired for use on the highways or waters of this

1 state which are required to be titled under the laws of the state of Missouri.

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

13 144.615. There are specifically exempted from the taxes levied in sections 144.600 to  
14 144.745:

15 (1) Property, the storage, use or consumption of which this state is prohibited from taxing  
16 pursuant to the constitution or laws of the United States or of this state;

17 (2) Property, the gross receipts from the sale of which are required to be included in the  
18 measure of the tax imposed pursuant to the Missouri sales tax law;

19 (3) Tangible personal property, the sale or other transfer of which, if made in this state,  
20 would be exempt from or not subject to the Missouri sales tax pursuant to the provisions of  
21 subsection 2 of section 144.030;

22 (4) Motor vehicles, trailers, boats, and outboard motors subject to the tax imposed by  
23 section 144.020;

24 (5) Tangible personal property which has been subjected to a tax by any other state in this  
25 respect to its sales or use; provided, if such tax is less than the tax imposed by sections 144.600 to  
26 144.745, such property, if otherwise taxable, shall be subject to a tax equal to the difference between  
27 such tax and the tax imposed by sections 144.600 to 144.745;

28 (6) Tangible personal property held by processors, retailers, importers, manufacturers,  
29 wholesalers, or jobbers solely for resale in the regular course of business;

30 (7) Personal and household effects and farm machinery used while an individual was a bona  
31 fide resident of another state and who thereafter became a resident of this state, or tangible personal  
32 property brought into the state by a nonresident for his own storage, use or consumption while  
33 temporarily within the state;

34 (8) Tangible personal property purchased by a consumer for use or consumption, and not for  
35 resale, for valuable consideration directly from a seller at an auction of used tangible personal  
36 property or from another consumer. For the purposes of this section, "used tangible personal  
37 property" is any tangible personal property that is sold a second time at an auction or any number of  
38 additional subsequent times after the initial point of sale at an auction, upon which a sales tax is  
39 levied. The term "used tangible personal property" shall not include motor vehicles, trailers, boats,  
40 or outboard motors purchased or acquired for use on the highways or waters of this state which are  
41 required to be titled under the laws of the state of Missouri.

42 Section B. Because immediate action is necessary to protect taxpayers from inflated values  
43 and rapidly increasing prices, the repeal and reenactment of section 137.115 of section A of this act  
44 is deemed necessary for the immediate preservation of the public health, welfare, peace, and safety,  
45 and is hereby declared to be an emergency act within the meaning of the constitution, and the repeal  
46 and reenactment of section 137.115 of section A of this act shall be in full force and effect upon its  
47 passage and approval."; and

48  
49 Further amend said bill by amending the title, enacting clause, and intersectional references



1 accordingly.