

FIRST REGULAR SESSION

HOUSE BILL NO. 771

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE THOMPSON.

1225H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 94.900, RSMo, and to enact in lieu thereof one new section relating to public safety sales taxes, with an emergency clause.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 94.900, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 94.900, to read as follows:

94.900. 1. (1) The governing body of the following cities may impose a tax as provided in this section:

(a) Any city of the third classification with more than ten thousand eight hundred but less than ten thousand nine hundred inhabitants located at least partly within a county of the first classification with more than one hundred eighty-four thousand but less than one hundred eighty-eight thousand inhabitants;

(b) Any city of the fourth classification with more than four thousand five hundred but fewer than five thousand inhabitants;

(c) Any city of the fourth classification with more than eight thousand nine hundred but fewer than nine thousand inhabitants;

(d) Any home rule city with more than forty-eight thousand but fewer than forty-nine thousand inhabitants;

(e) Any home rule city with more than seventy-three thousand but fewer than seventy-five thousand inhabitants;

(f) Any city of the fourth classification with more than thirteen thousand five hundred but fewer than sixteen thousand inhabitants;

EXPLANATION — Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 (g) Any city of the fourth classification with more than seven thousand but fewer than
18 eight thousand inhabitants;

19 (h) Any city of the fourth classification with more than four thousand but fewer than
20 four thousand five hundred inhabitants and located in any county of the first classification
21 with more than one hundred fifty thousand but fewer than two hundred thousand inhabitants;

22 (i) Any city of the third classification with more than thirteen thousand but fewer than
23 fifteen thousand inhabitants and located in any county of the third classification without a
24 township form of government and with more than thirty-three thousand but fewer than thirty-
25 seven thousand inhabitants; ~~[or]~~

26 (j) Any city of the fourth classification with more than three thousand but fewer than
27 three thousand three hundred inhabitants and located in any county of the third classification
28 without a township form of government and with more than eighteen thousand but fewer than
29 twenty thousand inhabitants and that is not the county seat of such county; **or**

30 **(k) Any city with more than four thousand nine hundred but fewer than five**
31 **thousand six hundred inhabitants and located in a county with more than thirty**
32 **thousand but fewer than thirty-five thousand inhabitants.**

33 (2) The governing body of any city listed in subdivision (1) of this subsection is
34 hereby authorized to impose, by ordinance or order, a sales tax in the amount of up to one-half
35 of one percent on all retail sales made in such city which are subject to taxation under the
36 provisions of sections 144.010 to 144.525 for the purpose of improving the public safety for
37 such city, including but not limited to expenditures on equipment, city employee salaries and
38 benefits, and facilities for police, fire and emergency medical providers. The tax authorized
39 by this section shall be in addition to any and all other sales taxes allowed by law, except that
40 no ordinance or order imposing a sales tax pursuant to the provisions of this section shall be
41 effective unless the governing body of the city submits to the voters of the city, at a county or
42 state general, primary or special election, a proposal to authorize the governing body of the
43 city to impose a tax.

44 2. If the proposal submitted involves only authorization to impose the tax authorized
45 by this section, the ballot of submission shall contain, but need not be limited to, the
46 following language:

47 Shall the city of _____(city's name) impose a citywide sales tax of ____
48 _____(insert amount) for the purpose of improving the public safety of
49 the city?

50 ☐ Yes ☐ No

51 If you are in favor of the question, place an "X" in the box opposite
52 "YES". If you are opposed to the question, place an "X" in the box
53 opposite "NO".

54

55 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in
56 favor of the proposal submitted pursuant to this subsection, then the ordinance or order and
57 any amendments thereto shall be in effect on the first day of the second calendar quarter after
58 the director of revenue receives notification of adoption of the local sales tax. If a proposal
59 receives less than the required majority, then the governing body of the city shall have no
60 power to impose the sales tax herein authorized unless and until the governing body of the
61 city shall again have submitted another proposal to authorize the governing body of the city to
62 impose the sales tax authorized by this section and such proposal is approved by the required
63 majority of the qualified voters voting thereon. However, in no event shall a proposal
64 pursuant to this section be submitted to the voters sooner than twelve months from the date of
65 the last proposal pursuant to this section.

66 3. All revenue received by a city from the tax authorized under the provisions of this
67 section shall be deposited in a special trust fund and shall be used solely for improving the
68 public safety for such city for so long as the tax shall remain in effect.

69 4. Once the tax authorized by this section is abolished or is terminated by any means,
70 all funds remaining in the special trust fund shall be used solely for improving the public
71 safety for the city. Any funds in such special trust fund which are not needed for current
72 expenditures may be invested by the governing body in accordance with applicable laws
73 relating to the investment of other city funds.

74 5. All sales taxes collected by the director of the department of revenue under this
75 section on behalf of any city, less one percent for cost of collection which shall be deposited
76 in the state's general revenue fund after payment of premiums for surety bonds as provided in
77 section 32.087, shall be deposited in a special trust fund, which is hereby created, to be
78 known as the "City Public Safety Sales Tax Trust Fund". The moneys in the trust fund shall
79 not be deemed to be state funds and shall not be commingled with any funds of the state. The
80 provisions of section 33.080 to the contrary notwithstanding, money in this fund shall not be
81 transferred and placed to the credit of the general revenue fund. The director of the
82 department of revenue shall keep accurate records of the amount of money in the trust and
83 which was collected in each city imposing a sales tax pursuant to this section, and the records
84 shall be open to the inspection of officers of the city and the public. Not later than the tenth
85 day of each month the director of the department of revenue shall distribute all moneys
86 deposited in the trust fund during the preceding month to the city which levied the tax; such
87 funds shall be deposited with the city treasurer of each such city, and all expenditures of funds
88 arising from the trust fund shall be by an appropriation act to be enacted by the governing
89 body of each such city. Expenditures may be made from the fund for any functions

90 authorized in the ordinance or order adopted by the governing body submitting the tax to the
91 voters.

92 6. The director of the department of revenue may make refunds from the amounts in
93 the trust fund and credited to any city for erroneous payments and overpayments made, and
94 may redeem dishonored checks and drafts deposited to the credit of such cities. If any city
95 abolishes the tax, the city shall notify the director of the department of revenue of the action at
96 least ninety days prior to the effective date of the repeal and the director of the department of
97 revenue may order retention in the trust fund, for a period of one year, of two percent of the
98 amount collected after receipt of such notice to cover possible refunds or overpayment of the
99 tax and to redeem dishonored checks and drafts deposited to the credit of such accounts.
100 After one year has elapsed after the effective date of abolition of the tax in such city, the
101 director of the department of revenue shall remit the balance in the account to the city and
102 close the account of that city. The director of the department of revenue shall notify each city
103 of each instance of any amount refunded or any check redeemed from receipts due the city.

104 7. Except as modified in this section, all provisions of sections 32.085 and 32.087
105 shall apply to the tax imposed pursuant to this section.

106 **8. If any city in subsection 1 of this section enacts the tax authorized in this**
107 **section, the city shall budget an amount to public safety that is no less than the amount**
108 **budgeted in the year immediately preceding the enactment of the tax. The revenue from**
109 **the tax shall supplement and not replace amounts budgeted by the city.**

Section B. Because immediate action is necessary to provide funding for public
2 safety, section 94.900 of section A of this act is deemed necessary for the immediate
3 preservation of the public health, welfare, peace, and safety and is hereby declared to be an
4 emergency act within the meaning of the constitution, and section 94.900 of section A of this
5 act shall be in full force and effect upon its passage and approval.

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