

SECOND REGULAR SESSION

HOUSE BILL NO. 1564

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE KELLEY (127).

3506H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 94.838, RSMo, and to enact in lieu thereof one new section relating to taxation.

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

Section A. Section 94.838, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 94.838, to read as follows:

94.838. 1. As used in this section, the following terms mean:

(1) "Food", all articles commonly used for food or drink, including alcoholic beverages, the provisions of chapter 311 notwithstanding;

(2) "Food establishment", any cafe, cafeteria, lunchroom, or restaurant which sells food at retail;

(3) "Municipality", any ~~village or fourth class city with more than two hundred but less than three hundred inhabitants and located in any county of the third classification with a township form of government and with more than twelve thousand five hundred but less than twelve thousand six hundred inhabitants~~ **city with more than one hundred sixty-five but fewer than one hundred eighty-five inhabitants and located in a county with more than eleven thousand but fewer than twelve thousand five hundred inhabitants and with a county seat with more than four thousand but fewer than five thousand inhabitants;**

(4) "Transient guest", a person or persons who occupy a room or rooms in a hotel or motel for thirty-one days or less during any calendar quarter.

2. **(1)** The governing body of any municipality may impose, by order or ordinance:

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.

16 ~~[(1)]~~ (a) A tax, not to exceed six percent per room per night, on the charges for all
 17 sleeping rooms paid by the transient guests of hotels or motels situated in the municipality or
 18 a portion thereof; and

19 ~~[(2)]~~ (b) A tax, not to exceed two percent, on the gross receipts derived from the retail
 20 sales of food by every person operating a food establishment in the municipality.

21 (2) The taxes shall be imposed ~~[solely]~~ for the ~~[purpose]~~ **purposes** of funding the
 22 construction, maintenance, and operation of capital improvements, **emergency services, and**
 23 **public safety**. The order or ordinance shall not become effective unless the governing body
 24 of the municipality submits to the voters of the municipality at a state general or primary
 25 election a proposal to authorize the governing body of the municipality to impose taxes under
 26 this section. The taxes authorized in this section shall be in addition to the charge for the
 27 sleeping room, the retail sales of food at a food establishment, and all other taxes imposed by
 28 law, and shall be stated separately from all other charges and taxes.

29 3. The ballot of submission for the taxes authorized in this section shall be in
 30 substantially the following form:

31 Shall _____ (insert the name of the municipality) impose a tax on the
 32 charges for all retail sales of food at a food establishment situated in ____
 33 _____ (name of municipality) at a rate of _____ (insert rate of percent)
 34 percent, and for all sleeping rooms paid by the transient guests of
 35 hotels and motels situated in _____ (name of municipality) at a rate of
 36 _____ (insert rate of percent) percent, ~~[solely]~~ for the ~~[purpose]~~
 37 **purposes** of funding the construction, maintenance, and operation of
 38 capital improvements, **emergency services, and public safety?**

39 Yes No

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 41 If a majority of the votes cast on the question by the qualified voters voting thereon are in
 42 favor of the question, then the taxes shall become effective on the first day of the second
 43 calendar quarter after the director of revenue receives notice of the adoption of the taxes. If a
 44 majority of the votes cast on the question by the qualified voters voting thereon are opposed
 45 to the question, then the taxes shall not become effective unless and until the question is
 46 resubmitted under this section to the qualified voters and such question is approved by a
 47 majority of the qualified voters voting on the question.

48 4. Any tax on the retail sales of food imposed under this section shall be administered,
 49 collected, enforced, and operated as required in section 32.087, and any transient guest tax
 50 imposed under this section shall be administered, collected, enforced, and operated by the
 51 municipality imposing the tax. All revenue generated by the tax shall be deposited in a
 52 special trust fund and shall be used solely for the designated purposes. If the tax is repealed,

53 all funds remaining in the special trust fund shall continue to be used solely for the designated
 54 purposes. Any funds in the special trust fund which are not needed for current expenditures
 55 may be invested in the same manner as other funds are invested. Any interest and moneys
 56 earned on such investments shall be credited to the fund.

57 5. Once the initial bonds, if any, have been satisfied, then the governing body of any
 58 municipality that has adopted the taxes authorized in this section may submit the question of
 59 repeal of the taxes to the voters on any date available for elections for the municipality. The
 60 ballot of submission shall be in substantially the following form:

61 Shall _____ (insert the name of the municipality) repeal the taxes
 62 imposed at the rates of _____ (insert rate of percent) and _____
 63 (insert rate of percent) percent for the ~~[purpose]~~ **purposes** of funding
 64 the construction, maintenance, and operation of capital improvements,
 65 **emergency services, and public safety?**

66 Yes No

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68 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become
 69 effective on December thirty-first of the calendar year in which such repeal was approved. If
 70 a majority of the votes cast on the question by the qualified voters voting thereon are opposed
 71 to the repeal, then the tax authorized in this section shall remain effective until the question is
 72 resubmitted under this section to the qualified voters, and the repeal is approved by a majority
 73 of the qualified voters voting on the question.

74 6. Once the initial bonds, if any, have been satisfied, then, whenever the governing
 75 body of any municipality that has adopted the taxes authorized in this section receives a
 76 petition, signed by ten percent of the registered voters of the municipality voting in the last
 77 gubernatorial election, calling for an election to repeal the taxes imposed under this section,
 78 the governing body shall submit to the voters of the municipality a proposal to repeal the
 79 taxes. If a majority of the votes cast on the question by the qualified voters voting thereon are
 80 in favor of the repeal, that repeal shall become effective on December thirty-first of the
 81 calendar year in which such repeal was approved. If a majority of the votes cast on the
 82 question by the qualified voters voting thereon are opposed to the repeal, then the tax shall
 83 remain effective until the question is resubmitted under this section to the qualified voters and
 84 the repeal is approved by a majority of the qualified voters voting on the question.

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