

SECOND REGULAR SESSION

HOUSE BILL NO. 2887

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE WINDHAM.

5468H.02I

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 144.014 and 145.1000, RSMo, and to enact in lieu thereof three new sections relating to taxation.

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

Section A. Sections 144.014 and 145.1000, RSMo, are repealed and three new sections enacted in lieu thereof, to be known as sections 144.014, 145.1000, and 145.1200, to read as follows:

144.014. 1. Notwithstanding other provisions of law to the contrary, beginning October 1, 1997, **and ending on December 31, 2024**, the tax levied and imposed under this chapter on all retail sales of food shall be at the rate of one percent. The revenue derived from the one percent rate pursuant to this section shall be deposited by the state treasurer in the school district trust fund and shall be distributed as provided in section 144.701.

2. **Notwithstanding any provision of law to the contrary, beginning January 1, 2025, there shall be no state sales or use tax levied or imposed on any retail sale of food in this state. The exemption granted under this subsection shall not apply to local sales tax as defined under section 32.085 or local use tax, levied or imposed as authorized by law.**

3. For the purposes of this section, the term "food" shall include only those products and types of food for which ~~[food stamps]~~ **benefits** may be redeemed pursuant to the provisions of the ~~[Federal Food Stamp]~~ **Supplemental Nutrition Assistance** Program as ~~[contained]~~ **described** in 7 U.S.C. Section 2012, as that section now reads or as it may be amended hereafter, and shall include food dispensed by or through vending machines. For the purpose of this section, except for vending machine sales, the term "food" shall not

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 include food or drink sold by any establishment where the gross receipts derived from the sale
18 of food prepared by such establishment for immediate consumption on or off the premises of
19 the establishment constitutes more than eighty percent of the total gross receipts of that
20 establishment, regardless of whether such prepared food is consumed on the premises of that
21 establishment, including, but not limited to, sales of food by any restaurant, fast food
22 restaurant, delicatessen, eating house, or café.

145.1000. Other provisions of this chapter to the contrary notwithstanding, if the
2 federal estate tax imposed pursuant to Section 2011 of the Internal Revenue Code, as
3 amended, is repealed, then no tax shall be imposed on the transfer of a decedent's estate in
4 Missouri, **except as provided under section 145.1200**. The provisions of this section shall
5 become effective on the same date as the effective date of the repeal of the federal estate tax.

**145.1200. 1. Effective January 1, 2025, a tax shall be imposed on the transfer of
2 every decedent's estate that consists in whole or in part of property having a tax situs
3 within the state of Missouri and a value of at least twenty-five thousand dollars.**

4 **2. The exact rate of the tax shall be determined by rules and regulations to be
5 promulgated by the department of revenue; provided that, the department shall attempt
6 to set the rate at such a level that the total amount of revenue collected in a fiscal year
7 from the tax would be equal to the total amount of revenue that would be collected in the
8 same fiscal year if the state levied and imposed a tax on the retail sale of food, as that
9 term is defined under subsection 2 of section 144.014, at a rate of one percent.**

10 **3. The revenue derived from the tax imposed under subsection 1 of this section
11 shall be deposited by the state treasurer in the school district trust fund and shall be
12 distributed as provided in section 144.701.**

13 **4. The department of revenue shall administer and enforce the provisions of this
14 section and shall promulgate all necessary rules and regulations relating to the
15 provisions of this section. The rules and regulations promulgated by the department
16 shall mirror the provisions of sections 145.009 to 145.985, to the fullest extent
17 practicable. Any rule or portion of a rule, as that term is defined in section 536.010, that
18 is created under the authority delegated in this section shall become effective only if it
19 complies with and is subject to all of the provisions of chapter 536 and, if applicable,
20 section 536.028. This section and chapter 536 are nonseverable and if any of the powers
21 vested with the general assembly pursuant to chapter 536 to review, to delay the
22 effective date, or to disapprove and annul a rule are subsequently held unconstitutional,
23 then the grant of rulemaking authority and any rule proposed or adopted after August
24 28, 2024, shall be invalid and void.**