

SECOND REGULAR SESSION

# HOUSE BILL NO. 2814

102ND GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE MERIDETH.

5584H.011

DANA RADEMAN MILLER, Chief Clerk

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## AN ACT

To repeal section 143.183, RSMo, and to enact in lieu thereof one new section relating to nonresident income tax.

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

Section A. Section 143.183, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 143.183, to read as follows:

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

(1) "Nonresident entertainer", a person residing or registered as a corporation outside this state who, for compensation, performs any vocal, instrumental, musical, comedy, dramatic, dance or other performance in this state before a live audience and any other person traveling with and performing services on behalf of a nonresident entertainer, including a nonresident entertainer who is paid compensation for providing entertainment as an independent contractor, a partnership that is paid compensation for entertainment provided by nonresident entertainers, a corporation that is paid compensation for entertainment provided by nonresident entertainers, or any other entity that is paid compensation for entertainment provided by nonresident entertainers;

(2) "Nonresident member of a professional athletic team", a professional athletic team member who resides outside this state, including any active player, any player on the disabled list if such player is in uniform on the day of the game at the site of the game, and any other person traveling with and performing services on behalf of a professional athletic team;

(3) "Personal service income" includes exhibition and regular season salaries and wages, guaranteed payments, strike benefits, deferred payments, severance pay, bonuses, and any other type of compensation paid to the nonresident entertainer or nonresident member of

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.

18 a professional athletic team, but does not include prizes, bonuses or incentive money received  
19 from competition in a livestock, equine or rodeo performance, exhibition or show;

20 (4) "Professional athletic team" includes, but is not limited to, any professional  
21 baseball, basketball, football, soccer and hockey team.

22 2. Any person, venue, or entity who pays compensation to a nonresident entertainer  
23 shall deduct and withhold from such compensation as a prepayment of tax an amount equal to  
24 two percent of the total compensation if the amount of compensation is in excess of three  
25 hundred dollars paid to the nonresident entertainer. For purposes of this section, the term  
26 "person, venue, or entity who pays compensation" shall not be construed to include any  
27 person, venue, or entity that is exempt from taxation under 26 U.S.C. Section 501(c)(3), as  
28 amended, and that pays an amount to the nonresident entertainer for the entertainer's  
29 appearance but receives no benefit from the entertainer's appearance other than the  
30 entertainer's performance.

31 3. Any person, venue, or entity required to deduct and withhold tax pursuant to  
32 subsection 2 of this section shall, for each calendar quarter, on or before the last day of the  
33 month following the close of such calendar quarter, remit the taxes withheld in such form or  
34 return as prescribed by the director of revenue and pay over to the director of revenue or to a  
35 depository designated by the director of revenue the taxes so required to be deducted and  
36 withheld.

37 4. Any person, venue, or entity subject to this section shall be considered an employer  
38 for purposes of section 143.191, and shall be subject to all penalties, interest, and additions to  
39 tax provided in this chapter for failure to comply with this section.

40 5. Notwithstanding other provisions of this chapter to the contrary, the commissioner  
41 of administration, for all taxable years beginning on or after January 1, 1999, ~~but none after~~  
42 ~~December 31, 2030,~~ **but ending on or before December 31, 2024, and the treasurer, for**  
43 **all tax years beginning on or after January 1, 2025**, shall annually estimate the amount of  
44 state income tax revenues collected pursuant to this chapter which are received from  
45 nonresident members of professional athletic teams and nonresident entertainers. For fiscal  
46 year 2000, and for each subsequent fiscal year ~~[for a period of thirty-one years]~~, sixty percent  
47 of the annual estimate of taxes generated from the nonresident entertainer and professional  
48 athletic team income tax shall be allocated annually to the Missouri arts council trust fund,  
49 and shall be transferred~~[, subject to appropriations,]~~ from the general revenue fund to the  
50 Missouri arts council trust fund established in section 185.100 and any amount transferred  
51 shall be in addition to such agency's budget base for each fiscal year, **subject to**  
52 **appropriations**. The director shall by rule establish the method of determining the portion of  
53 personal service income of such persons that is allocable to Missouri.

54           6. Notwithstanding the provisions of sections 186.050 to 186.067 to the contrary, the  
55 commissioner of administration, for all taxable years beginning on or after January 1, 1999,  
56 ~~[but for none after December 31, 2030,]~~ **but ending on or before December 31, 2024, and**  
57 **the treasurer, for all tax years beginning on or after January 1, 2025,** shall estimate  
58 annually the amount of state income tax revenues collected pursuant to this chapter which are  
59 received from nonresident members of professional athletic teams and nonresident  
60 entertainers. For fiscal year 2000, and for each subsequent fiscal year ~~[for a period of~~  
61 ~~thirty-one years]~~, ten percent of the annual estimate of taxes generated from the nonresident  
62 entertainer and professional athletic team income tax shall be allocated annually to the  
63 Missouri humanities council trust fund, and shall be transferred~~[-subject to appropriations,]~~  
64 from the general revenue fund to the Missouri humanities council trust fund established in  
65 section 186.055 and any amount transferred shall be in addition to such agency's budget base  
66 for each fiscal year, **subject to appropriations.**

67           7. Notwithstanding other provisions of section 182.812 to the contrary, the  
68 commissioner of administration, for all taxable years beginning on or after January 1, 1999,  
69 ~~[but for none after December 31, 2030,]~~ **but ending on or before December 31, 2024, and**  
70 **the treasurer, for all tax years beginning on or after January 1, 2025,** shall estimate  
71 annually the amount of state income tax revenues collected pursuant to this chapter which are  
72 received from nonresident members of professional athletic teams and nonresident  
73 entertainers. For fiscal year 2000, and for each subsequent fiscal year ~~[for a period of~~  
74 ~~thirty-one years]~~, ten percent of the annual estimate of taxes generated from the nonresident  
75 entertainer and professional athletic team income tax shall be allocated annually to the  
76 Missouri state library networking fund, and shall be transferred~~[-subject to appropriations,]~~  
77 from the general revenue fund to the secretary of state for distribution to public libraries for  
78 acquisition of library materials as established in section 182.812 and any amount transferred  
79 shall be in addition to such agency's budget base for each fiscal year, **subject to**  
80 **appropriations.**

81           8. Notwithstanding other provisions of section 185.200 to the contrary, the  
82 commissioner of administration, for all taxable years beginning on or after January 1, 1999,  
83 ~~[but for none after December 31, 2030,]~~ **but ending on or before December 31, 2024, and**  
84 **the treasurer, for all tax years beginning on or after January 1, 2025,** shall estimate  
85 annually the amount of state income tax revenues collected pursuant to this chapter which are  
86 received from nonresident members of professional athletic teams and nonresident  
87 entertainers. For fiscal year 2000, and for each subsequent fiscal year ~~[for a period of~~  
88 ~~thirty-one years]~~, ten percent of the annual estimate of taxes generated from the nonresident  
89 entertainer and professional athletic team income tax shall be allocated annually to the  
90 Missouri public television broadcasting corporation special fund, and shall be transferred~~[-~~

91 ~~subject to appropriations,]~~ from the general revenue fund to the Missouri public television  
92 broadcasting corporation special fund, and any amount transferred shall be in addition to such  
93 agency's budget base for each fiscal year, **subject to appropriations**; provided, however, that  
94 twenty-five percent of such allocation shall be used for grants to public radio stations which  
95 were qualified by the corporation for public broadcasting as of November 1, 1996. Such  
96 grants shall be distributed to each of such public radio stations in this state after receipt of the  
97 station's certification of operating and programming expenses for the prior fiscal year.  
98 Certification shall consist of the most recent fiscal year financial statement submitted by a  
99 station to the corporation for public broadcasting. The grants shall be divided into two  
100 categories, an annual basic service grant and an operating grant. The basic service grant shall  
101 be equal to thirty-five percent of the total amount and shall be divided equally among the  
102 public radio stations receiving grants. The remaining amount shall be distributed as an  
103 operating grant to the stations on the basis of the proportion that the total operating expenses  
104 of the individual station in the prior fiscal year bears to the aggregate total of operating  
105 expenses for the same fiscal year for all Missouri public radio stations which are receiving  
106 grants.

107 9. Notwithstanding other provisions of section 253.402 to the contrary, the  
108 commissioner of administration, for all taxable years beginning on or after January 1, 1999,  
109 ~~[but for none after December 31, 2030,]~~ **but ending on or before December 31, 2024, and**  
110 **the treasurer, for all tax years beginning on or after January 1, 2025,** shall estimate  
111 annually the amount of state income tax revenues collected pursuant to this chapter which are  
112 received from nonresident members of professional athletic teams and nonresident  
113 entertainers. For fiscal year 2000, and for each subsequent fiscal year ~~[for a period of~~  
114 ~~thirty-one years]~~, ten percent of the annual estimate of taxes generated from the nonresident  
115 entertainer and professional athletic team income tax shall be allocated annually to the  
116 Missouri department of natural resources Missouri historic preservation revolving fund, and  
117 shall be transferred~~[-subject to appropriations,]~~ from the general revenue fund to the Missouri  
118 department of natural resources Missouri historic preservation revolving fund established in  
119 section 253.402 and any amount transferred shall be in addition to such agency's budget base  
120 for each fiscal year, **subject to appropriations**.

121 10. This section shall not be construed to apply to any person who makes a  
122 presentation for professional or technical education purposes or to apply to any presentation  
123 that is part of a seminar, conference, convention, school, or similar program format designed  
124 to provide professional or technical education.

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