

FIRST REGULAR SESSION

HOUSE BILL NO. 345

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE KEATHLEY.

1239H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 144.014, RSMo, and to enact in lieu thereof one new section relating to a sales tax exemption for food.

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

Section A. Section 144.014, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 144.014, to read as follows:

144.014. 1. **(1)** Notwithstanding other provisions of law to the contrary, beginning October 1, 1997, **but ending on or before December 31, 2029**, the tax levied and imposed under this chapter on all retail sales of food shall be at the rate of one percent, **except as provided under subdivisions (2), (3), and (4) of this subsection**. 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 August 28, 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, except as provided under subdivision (3) of this subsection.

(3) Beginning January 1, 2026, the rate of local sales and use tax imposed on all retail sales of food shall annually be reduced in four equal increments over a period of four years.

(4) Beginning January 1, 2030, notwithstanding other provisions of law to the contrary, there shall be no local sales tax as defined in section 32.085 or local use tax levied or imposed on any retail sale of food in this state.

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 2. For the purposes of this section, the term "food" shall include only those products
19 and types of food for which ~~[food stamps]~~ **benefits** may be redeemed pursuant to the
20 provisions of the ~~[Federal Food Stamp]~~ **Supplemental Nutrition Assistance** Program as
21 ~~[contained]~~ **described** in 7 U.S.C. Section 2012, as that section now reads or as it may be
22 amended hereafter, and shall include food dispensed by or through vending machines. For
23 the purpose of this section, except for vending machine sales, the term "food" shall not
24 include food or drink sold by any establishment where the gross receipts derived from the sale
25 of food prepared by such establishment for immediate consumption on or off the premises of
26 the establishment constitutes more than eighty percent of the total gross receipts of that
27 establishment, regardless of whether such prepared food is consumed on the premises of that
28 establishment, including, but not limited to, sales of food by any restaurant, fast food
29 restaurant, delicatessen, eating house, or café.

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