

FIRST REGULAR SESSION

# HOUSE BILL NO. 1286

## 103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MATTHIESEN.

2329H.011

JOSEPH ENGLER, Chief Clerk

### AN ACT

To repeal sections 321.552 and 321.554, RSMo, and to enact in lieu thereof two new sections relating to ambulance or fire protection district sales taxes.

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

Section A. Sections 321.552 and 321.554, RSMo, are repealed and two new sections  
2 enacted in lieu thereof, to be known as sections 321.552 and 321.554, to read as follows:

321.552. 1. **(1) An ambulance or fire protection district in the following counties  
2 may impose a sales tax as provided in this section:**

3 **(a) Before the effective date of this section, an ambulance or fire protection  
4 district in any county** except in any county of the first classification with over two hundred  
5 thousand inhabitants, or any county of the first classification without a charter form of  
6 government and with more than seventy-three thousand seven hundred but less than seventy-  
7 three thousand eight hundred inhabitants; or any county of the first classification without a  
8 charter form of government and with more than one hundred eighty-four thousand but less  
9 than one hundred eighty-eight thousand inhabitants; or any county with a charter form of  
10 government with over one million inhabitants; or any county with a charter form of  
11 government with over two hundred eighty thousand inhabitants but less than three hundred  
12 thousand inhabitants [~~the governing body of any ambulance or fire protection district may  
13 impose]; and~~

14 **(b) Beginning on the effective date of this section, an ambulance or fire  
15 protection district in any county.**

16 **(2) A sales tax [in an amount up to one-half of one percent] imposed under this  
17 section shall be imposed** on all retail sales made in such ambulance or fire protection district

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 ~~[which]~~ **that** are subject to taxation pursuant to the provisions of sections 144.010 to 144.525  
19 ~~[provided that such]~~.

20 **(3) A sales tax imposed under this section shall be imposed in the following**  
21 **percentages:**

22 **(a) An ambulance or fire protection district that has imposed a sales tax that**  
23 **does not exceed one-half of one percent under this section before the effective date of**  
24 **this section may impose an additional percentage. The total percentage of a sales tax**  
25 **imposed under this paragraph shall not exceed one percent; and**

26 **(b) An ambulance or fire protection district that has not imposed a sales tax**  
27 **under this section before the effective date of this section may impose an amount up to**  
28 **one percent.**

29 **(4) A sales tax imposed under this section** shall be accompanied by a reduction in  
30 the district's tax rate as defined in section 137.073.

31 **(5) The tax authorized by this section shall be in addition to any and all other sales**  
32 **taxes allowed by law, except that no sales tax imposed pursuant to the provisions of this**  
33 **section shall be effective unless the governing body of the ambulance or fire protection**  
34 **district submits to the voters of such ambulance or fire protection district, at a municipal or**  
35 **state general, primary or special election, a proposal to authorize the governing body of the**  
36 **ambulance or fire protection district to impose a tax pursuant to this section.**

37 **2. (1) The ballot of submission for the tax authorized in this section before the**  
38 **effective date of this section** shall contain, but need not be limited to, the following  
39 language:

40 Shall \_\_\_\_\_ (insert name of ambulance or fire protection district)  
41 impose a sales tax of \_\_\_\_\_ (insert amount up to one-half) of one  
42 percent for the purpose of providing revenues for the operation of the \_  
43 \_\_\_\_\_ (insert name of ambulance or fire protection district) and the  
44 total property tax levy on properties in the \_\_\_\_\_ (insert name of the  
45 ambulance or fire protection district) shall be reduced annually by an  
46 amount which reduces property tax revenues by an amount equal to  
47 fifty percent of the previous year's revenue collected from this sales  
48 tax?

49  Yes  No

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

53 **(2) Beginning on the effective date of this section, the question submitted for the**  
54 **tax authorized in this section shall be in substantially the following form: "Shall \_\_\_\_\_**

55 **(insert ambulance or fire protection district name) impose a sales tax at a rate of \_\_\_\_\_**  
56 **(insert percentage up to one percent) percent for the purpose of providing revenues for**  
57 **the operation of the \_\_\_\_\_ (insert ambulance or fire protection district name) and**  
58 **reduce the total property tax levy on properties in the \_\_\_\_\_ (insert ambulance or fire**  
59 **protection district name) annually by an amount that reduces property tax revenues by**  
60 **an amount equal to fifty percent of the previous year's revenue collected from this sales**  
61 **tax?".**

62         3. **(1)** If a majority of the votes cast on the proposal by the qualified voters voting  
63 thereon are in favor of the proposal, then the sales tax authorized in this section shall be in  
64 effect and the governing body of the ambulance or fire protection district shall lower the level  
65 of its tax rate:

66             **(a) For a tax imposed before the effective date of this section,** by an amount which  
67 reduces property tax revenues by an amount equal to fifty percent of the amount of sales tax  
68 collected in the preceding year; **and**

69             **(b) For a tax imposed on or after the effective date of this section, by an amount**  
70 **equal to seventy-five percent of the amount of sales tax collected in the preceding year.**

71         **(2)** If a majority of the votes cast by the qualified voters voting are opposed to the  
72 proposal, then the governing body of the ambulance or fire protection district shall not impose  
73 the sales tax authorized in this section unless and until the governing body of such ambulance  
74 or fire protection district resubmits a proposal to authorize the governing body of the  
75 ambulance or fire protection district to impose the sales tax authorized by this section and  
76 such proposal is approved by a majority of the qualified voters voting thereon.

77         4. All revenue received by a district from the tax authorized pursuant to this section  
78 shall be deposited in a special trust fund, and be used solely for the purposes specified in the  
79 proposal submitted pursuant to this section for so long as the tax shall remain in effect.

80         5. All sales taxes collected by the director of revenue pursuant to this section, less one  
81 percent for cost of collection which shall be deposited in the state's general revenue fund after  
82 payment of premiums for surety bonds as provided in section 32.087, shall be deposited in a  
83 special trust fund, which is hereby created, to be known as the "Ambulance or Fire Protection  
84 District Sales Tax Trust Fund". The moneys in the ambulance or fire protection district sales  
85 tax trust fund shall not be deemed to be state funds and shall not be commingled with any  
86 funds of the state. The director of revenue shall keep accurate records of the amount of  
87 money in the trust and the amount collected in each district imposing a sales tax pursuant to  
88 this section, and the records shall be open to inspection by officers of the county and to the  
89 public. Not later than the tenth day of each month the director of revenue shall distribute all  
90 moneys deposited in the trust fund during the preceding month to the governing body of the

91 district which levied the tax; such funds shall be deposited with the board treasurer of each  
92 such district.

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

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

321.554. 1. **(1) The board of an ambulance or fire protection district in the  
2 following counties shall reduce the total operating levy of the district as provided in this  
3 section:**

4         **(a) Before the effective date of this section, the board in any county** except in any  
5 county of the first classification with more than two hundred forty thousand three hundred but  
6 less than two hundred forty thousand four hundred inhabitants, or any county of the first  
7 classification with more than seventy-three thousand seven hundred but less than seventy-  
8 three thousand eight hundred inhabitants, or any county of the first classification with more  
9 than one hundred eighty-four thousand but less than one hundred eighty-eight thousand  
10 inhabitants, or any county with a charter form of government and with more than one million  
11 inhabitants, or any county with a charter form of government and with more than two hundred  
12 fifty thousand but less than three hundred fifty thousand inhabitants~~[-]; and~~

13         **(b) Beginning on the effective date of this section, the board in any county.**

14         **(2) (a)** When the revenue from the ambulance or fire protection district sales tax is  
15 collected for distribution pursuant to section 321.552, the board of the ambulance or fire  
16 protection district, after determining its budget for the year pursuant to section 67.010 and the  
17 rate of levy needed to produce the required revenue and after making any other adjustments to  
18 the levy that may be required by any other law, shall reduce the total operating levy of the  
19 district:

20           **a. For a tax imposed before the effective date of this section,** in an amount  
21 sufficient to decrease the revenue it would have received therefrom by an amount equal to  
22 fifty percent of the previous fiscal year's sales tax receipts; **and**

23           **b. For a tax imposed on or after the effective date of this section, in an amount**  
24 **sufficient to decrease the revenue it would have received therefrom by an amount equal**  
25 **to seventy-five percent of the previous fiscal year's sales tax receipts.**

26           **(b)** Loss of revenue due to a decrease in the assessed valuation of real property  
27 located within the ambulance or fire protection district as a result of general reassessment and  
28 from state-assessed railroad and utility distributable property based upon the previous fiscal  
29 year's receipts shall be considered in lowering the rate of levy to comply with this section in  
30 the year of general reassessment and in each subsequent year. In the event that in the  
31 immediately preceding year the ambulance or fire protection district actually received more  
32 or less sales tax revenue than estimated, the ambulance or fire protection district board may  
33 adjust its operating levy for the current year to reflect such increase or decrease. The director  
34 of revenue shall certify the amount payable from the ambulance or fire protection district  
35 sales tax trust fund to the general revenue fund to the state treasurer.

36           2. Except that, in the first year in which any sales tax is collected pursuant to section  
37 321.552, any taxing authority subject to this section shall not reduce the tax rate as defined in  
38 section 137.073.

39           3. In a year of general reassessment, as defined by section 137.073, or assessment  
40 maintenance as ~~defined by~~ **described in** section 137.115 in which an ambulance or fire  
41 protection district in reliance upon the information then available to it relating to the total  
42 assessed valuation of such ambulance or fire protection district revises its property tax levy  
43 pursuant to section 137.073 or 137.115, and it is subsequently determined by decisions of the  
44 state tax commission or a court pursuant to sections 138.430 to 138.433 or due to clerical  
45 errors or corrections in the calculation or recordation of assessed valuations that the assessed  
46 valuation of such ambulance or fire protection district has been changed, and but for such  
47 change the ambulance or fire protection district would have adopted a different levy on the  
48 date of its original action, then the ambulance or fire protection district may adjust its levy to  
49 an amount to reflect such change in assessed valuation, including, if necessary, a change in  
50 the levy reduction required by this section to the amount it would have levied had the correct  
51 assessed valuation been known to it on the date of its original action, provided:

52           (1) The ambulance or fire protection district first levies the maximum levy allowed  
53 without a vote of the people by Article X, Section 11(b) of the Constitution; and

54           (2) The ambulance or fire protection district first adopts the tax rate ceiling otherwise  
55 authorized by other laws of this state; and

56 (3) The levy adjustment or reduction may include a one-time correction to recoup lost  
57 revenues the ambulance or fire protection district was entitled to receive during the prior year.

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