

HCS HB 149 -- SALES TAX

SPONSOR: Hovis

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Ways and Means by a vote of 5 to 3.

The following is a summary of the House Committee Substitute for HB 149.

Currently, certain adjoining counties can jointly impose a sales tax in each of their respective counties for certain public recreational purposes. The sales taxes will not become effective unless it is approved by a majority of the voters in each county.

This bill changes the authorization language so that the counties do not have to act jointly. Each county is individually authorized to impose, upon voter approval, its own tax for certain public recreational purposes (Section 67.782, 67.783, RSMo).

The bill updates provisions regarding the Joint County Recreational Lake Authority and specifies that the terms of members will be staggered so that two members' terms expire on December 31st of each even-numbered year. If enacted, this section will initially only apply to Bollinger and Cape Girardeau counties (Section 67.785).

Current law provides a sales tax exemption for certain durable medical equipment as defined on January 1, 1980, by the Federal Medicare program. This bill removes the reference to January 1, 1980.

Additionally, current law provides a sales tax exemption for the sales or rental of manual and powered wheelchairs, including parts. The bill also applies the exemption to accessories for such wheelchairs.

This bill exempts from sales tax all sales of used tangible personal property, including any tangible personal property that is sold a second time or any number of additional subsequent times after the initial point of sale, at an auction.

The provisions of this bill do not apply to motor vehicles, trailers, boats, or outboard motors purchased or acquired for use on the highways or waters of this State which are required to be titled (Section 144.030, 144.615).

Starting January 1, 2026, sales, purchases, or use of certain machinery and equipment used to provide broadband communications

services will be exempt from state and local sales taxes in Missouri. To qualify for this exemption, providers must furnish a certificate confirming eligibility or enter a direct pay agreement with the Department of Revenue (Section 144.812).

This bill repeals a two percent tax on the gross receipts of retail sales paid on each pull tab card sold in the State.

The bill also repeals a tax imposed on each organization conducting a game of bingo, which annually awards at least \$5,000 and more than \$100 in a single day(Section 313.055, 313.057).

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPONENTS: Supporters say that this bill is preemptive. It ensures each county addressed in the bill can vote and act on the recreational sales tax in independence from each other.

Testifying in person for the bill was Representative Hovis.

OPPONENTS: No opposition was voiced in person to the committee.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.