

HB 446 -- MOTOR VEHICLE SALES TAX PAYMENT PLANS

SPONSOR: O'Donnell

This bill defines the terms "qualified amount" and "qualified purchaser" and provides that beginning October 1, 2025, and ending September 30, 2026, the Department of Revenue may accept applications to establish payment plans from qualified purchasers to pay for a qualified amount. The Department is encouraged to work with the qualified purchaser to establish an equitable plan that isn't overly burdensome, taking into consideration the qualified purchaser's income and any other financial obligations.

The bill allows a qualified purchaser to apply for a payment plan on or before September 30, 2026. The Department has to review all applications received in a timely manner and to contact all qualifying applicants to provide them with an opportunity to establish a payment plan before December 31, 2026. After entering into a payment plan, the qualified purchaser is required to make a down payment equal to one month's payment before the Department will issue a new temporary permit.

This bill authorizes the Department to establish protocols such as how payments are to be processed, how updated payment counts will be made accessible to the qualified purchaser, and what forms or documents the qualified purchaser will need to carry in his or her motor vehicle for presentation to law enforcement during motor vehicle stops or other entities requesting verification of the payment plan status.

For the period beginning October 1, 2025, and ending December 31, 2026, this bill grants discretionary authority to the Director of the Department of Revenue to issue a temporary permit to an individual who establishes a payment plan with the Department.

The provisions of the motor vehicle sales tax payment plan to sunset December 31st one year after the effective date.

Beginning January 1, 2027, any purchaser, as defined in the bill, who fails to pay the sales tax within 30 days of the expiration of the statutory period for the temporary permit or transferred license plates will be subject to a fine in an amount equal to 1% of the total purchase price of the vehicle. The fine will be in addition to all state and local sales tax under Chapter 144, any state or local law, and any penalties, tickets, or fines that may be assessed under Chapter 301 or any other provision of law. This fine and any additional fine imposed by local ordinance for delinquent payment of sales tax by a purchaser will be exempt from

the total revenue cap imposed and calculated under Section 479.359, RSMo.

This bill is the same as HB 2085 (2024) and similar to HB 58 and HB 1350 (2023).