

SECOND REGULAR SESSION

HOUSE BILL NO. 2595

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MCGAUGH.

5891H.01I

JOSEPH ENGLER, Chief Clerk

AN ACT

To amend chapter 94, RSMo, by adding thereto one new section relating to a city transient guest tax.

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

Section A. Chapter 94, RSMo, is amended by adding thereto one new section, to be known as section 94.833, to read as follows:

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

(1) "City", a city of the third classification that operates under the city manager form of government established under chapter 78;

(2) "Lodging establishment", a hotel, motel, bed and breakfast inn, or other similar establishment offering similar lodging accommodations;

(3) "Lodging facility", a short-term rental of a house, condominium, campground cabin, or other similar facility offering similar lodging accommodations;

(4) "Transient guests", individuals who, for thirty-one days or less during any calendar quarter, occupy a room or rooms in a lodging establishment or occupy a lodging facility.

2. (1) The governing body of a city may impose a tax on the charges for all lodging establishment sleeping rooms paid by the transient guests of lodging establishments and on the charges for all lodging facilities paid by transient guests who occupy such lodging facilities that are situated in the city or a portion thereof.

(2) Such tax shall:

(a) Not exceed five percent per occupied lodging establishment sleeping room per night or five percent per rental term of such lodging facility;

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 (b) Be in addition to the charge for the lodging establishment sleeping room or
19 lodging facility and shall be in addition to any and all other taxes; and

20 (c) Be stated separately from all other charges and taxes.

21 (3) The proceeds of such tax shall be used by the city for the promotion of
22 tourism.

23 (4) Such tax shall not become effective unless the governing body of the county
24 submits to the voters of the city, at any election available for the city, a proposal to
25 authorize the governing body of the city to impose the tax under this section.

26 3. (1) The question submitted for the tax authorized in this section shall be in
27 substantially the following form: "Shall _____ (insert city name) impose a tax on the
28 charges for all sleeping rooms and on the charges for all short-term rentals paid by the
29 transient guests of lodging establishments and lodging facilities situated in _____
30 (insert city name) at a rate of _____ (insert percentage) percent, the proceeds of which
31 shall be used solely for the promotion of tourism?".

32 (2) If a majority of the votes cast on the question by the qualified voters voting
33 thereon are in favor of the question, the tax shall become effective on the first day of the
34 second calendar quarter following the calendar quarter in which the election was held.
35 If a majority of the votes cast on the question by the qualified voters voting thereon are
36 opposed to the question, the tax shall not become effective unless and until the question
37 is resubmitted under this section to the qualified voters and such question is approved
38 by a majority of the qualified voters voting on the question.

39 4. (1) On and after the effective date of any tax authorized in this section, the
40 city may adopt one of the two following provisions for the collection and administration
41 of the tax:

42 (a) The city may adopt rules and regulations for the internal collection of such
43 tax by the city officers usually responsible for collection and administration of city
44 taxes; or

45 (b) The city may enter into an agreement with the director of revenue of the state
46 of Missouri for the purpose of collecting the tax authorized in this section.

47 (2) If a city adopts the internal collection of such tax under paragraph (a) of
48 subdivision (1) of this subsection, the city:

49 (a) Shall establish a fund for the deposit of all revenues derived from such tax,
50 from which the city may disburse moneys for the sole purpose of the promotion of
51 tourism through marketing, events, and constructing and maintaining tourism facilities;
52 and

53 (b) May collect a penalty of one percent and interest not to exceed two percent
54 per month on unpaid taxes that are deemed delinquent thirty days after the last day of
55 each quarter.

56 (3) If such city enters into an agreement under paragraph (b) of subdivision (1)
57 of this subsection, the director of revenue shall:

58 (a) Perform all functions incident to the administration, collection, enforcement,
59 and operation of such tax;

60 (b) Promulgate rules and regulations prescribing the forms and procedures
61 under which the tax authorized in this section shall be collected and reported;

62 (c) Collect the tax authorized in this section; and

63 (d) Retain an amount not to exceed one percent for cost of collection.

64 5. (1) After the initial bonds, if any, have been satisfied, the governing body of
65 such city may submit to the voters of the city, at any election available for the city, a
66 proposal to repeal the tax imposed under this section.

67 (2) The question submitted for such repeal shall be in substantially the following
68 form: "Shall _____ (insert city name) repeal the tax imposed on the charges for all
69 sleeping rooms and on the charges for all short-term rentals paid by the transient guests
70 of lodging establishments and lodging facilities situated in _____ (insert city name) at a
71 rate of _____ (insert percentage) percent for the promotion of tourism?".

72 (3) If a majority of the votes cast on the question by the qualified voters voting
73 thereon are in favor of the question, the repeal shall become effective on December
74 thirty-first of the calendar year in which such appeal was approved. If a majority of the
75 votes cast on the question by the qualified voters voting thereon are opposed to the
76 question, the repeal shall not become effective unless and until the question is
77 resubmitted under this subsection to the qualified voters and such question is approved
78 by a majority of the qualified voters voting on the question.

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