

HCS HB 2431 -- LOCAL TAXATION

SPONSOR: Thompson

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Local Government by a vote of 13 to 1. Voted "Do Pass" by the Standing Committee on Rules-Legislative by a vote of 11 to 0.

The following is a summary of the House Committee Substitute for HB 2431.

Currently, the governing bodies of several counties are authorized to, upon voter approval, levy a sales tax of up to 1/5 of 1% on retail sales made in the county for the purpose of funding museums.

This bill adds a county with more than 19,000 but fewer than 22,000 inhabitants having a county seat with more than 8,500 but fewer than 10,000 inhabitants to this authorization.

Upon enactment, this provision will apply to Henry County (Section 67.578).

This provision is similar to HB 3335 (2026).

The bill authorizes the governing body of a county with more than 9,900 but fewer than 11,000 inhabitants and with a county seat with more than 1,000 but fewer than 1,500 inhabitants to, upon voter approval, adopt a sales tax by order or ordinance. The proceeds of the tax can be used for the purpose of providing funding for the operation and maintenance of county facilities. The tax can be imposed in increments of 1/8 of 1% and cannot exceed 1%.

Upon enactment, this provision will apply to Bollinger County (Section 67.599).

This provision is similar to HB 2140 (2026).

Currently, the governing bodies of a number of cities and counties are authorized to, upon voter approval, impose a tax on charges paid by transient guests of hotels and motels of up to 5% per occupied room per night. The proceeds of this tax are solely for funding a convention and visitors bureau.

This bill allows the governing body of one city included in the statute described above to, upon voter approval, increase this authorized tax to up to 6% per occupied room per night. The proceeds of the increase must be used by the city for the construction and maintenance of new capital projects to promote tourism.

Upon enactment, this provision will apply to Joplin (Section 67.1000).

This provision is similar to HB 1867 (2026).

This bill authorizes the governing body of a city with more than 10,000 but fewer than 11,000 inhabitants and that is the county seat of a county with more than 100,000 but fewer than 120,000 inhabitants to, upon voter approval, impose a tax of 6% per occupied room per night paid by transient guests of hotels or motels within the city.

Upon enactment, this provision will apply to Harrisonville (Section 67.1013).

This provision is similar to HB 231 (2025).

The bill authorizes the governing body of a county with more than 7,000 but fewer than 8,000 inhabitants with a county seat with more than 480 but fewer than 1,000 inhabitants to, upon voter approval, impose a surcharge tax of up to 5% to rentals and charges for hotels, motels, campgrounds, resorts, bed and breakfast inns, tourist courts, short-term residential rentals, and watercraft rentals.

Upon enactment, this provision will apply to Shannon County (Section 67.1190).

This provision is similar to HB 3469 (2026).

Currently, the governing bodies of several cities are statutorily authorized to, upon voter approval, levy a tax of between 2% to 5% per room per night on charges of rooms paid by transient guests of hotels, motels, bed and breakfasts, and campground cabins. Proceeds of the tax can be used only to promote tourism.

This bill adds a city with more than 4,400 but fewer than 4,900 inhabitants that is the county seat of a county with more than 30,000 but fewer than 35,000 inhabitants and a city with more than 5,600 but fewer than 6,300 inhabitants that is the county

seat of a county with more than 22,000 but fewer than 25,000 inhabitants to this list of authorized cities.

Upon enactment, this provision will apply to Lexington and Richmond (Section 67.1360).

This provision is similar to HB 2433 and HB 2434 (2026).

Currently, the governing bodies of several counties are statutorily authorized to levy a tax of up to 6% per room per night on charges of rooms paid by transient guests of hotels, motels, bed and breakfasts, and campground cabins, upon voter approval. Proceeds of the tax may be used only to promote tourism.

The bill would add a county with more than 22,000 but fewer than 25,000 inhabitants having a county seat with more than 2,300 but fewer than 4,000 inhabitants to this list of counties (Section 67.1367).

Upon enactment, this provision will apply to Washington County.

This provision is similar to HB 2410 (2026).

This bill authorizes the governing body of a city with more than 2,700 but fewer than 3,000 inhabitants located in a county with more than 50,000 but fewer than 60,000 inhabitants and with a county seat with more than 17,000 but fewer than 21,000 inhabitants to, upon voter approval, impose a tax of up to 5% on the charges for sleeping rooms and campground sites paid by transient guests. The proceeds of this tax can be used for general revenue purposes (Section 94.451).

Upon enactment, this provision will apply to Knob Noster.

This provision is similar to HB 3036 (2026).

The bill authorizes the governing body of a city with more than 33,000 but fewer than 36,500 inhabitants to, upon voter approval, impose a tax of up to 8% on charges for rooms paid by transient guests of hotels and motels in the city. The proceeds of this tax can be used for general revenue purposes.

Upon enactment, this provision will apply to University City and Wildwood (Section 94.456).

This provision is similar to HB 2550 (2026).

The bill also authorizes the governing body of a city with more than 8,000 but fewer than 9,000 inhabitants and located in a county with more than 60,000 but fewer than 70,000 inhabitants to, upon voter approval, impose a tax of up to 5% on the charges for sleeping rooms paid by transient guests in the city. The proceeds of this tax can be used only for the promotion of tourism and related economic development purposes (Section 94.815).

Upon enactment, this provision will apply to Park Hills.

This provision is similar to HB 3044 (2026).

Currently, the governing bodies of several cities are statutorily authorized to, upon voter approval, impose a sales tax of up to 0.5% on all retail sales made in the city. The proceeds of this tax may be used solely for the purpose of improving public safety.

This bill adds a city with more than 3,400 but fewer than 3,800 inhabitants in a county with more than one million inhabitants, a city with more than 5,600 but fewer than 6,300 inhabitants that is the county seat of a county with more than 22,000 but fewer than 25,000 inhabitants, and a city with more than 4,400 but fewer than 4,900 inhabitants that is the county seat of a county with more than 30,000 but fewer than 35,000 inhabitants to this list of authorized cities.

Upon enactment, this provision will apply to Northwoods, Frontenac, Lexington, and Richmond (Section 94.900).

This provision is similar to HB 3277 and HB 2432.

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 Lexington needs more resources for public safety. Because the city is near a larger metropolitan area, it has to offer larger salaries to public safety personnel than other cities of its size in order to offer competitive wages. The tax is subject to voter approval, so the city is not asking for a handout. This supports local control and local self sufficiency for the city.

Testifying in person for the bill was Representative Thompson.

OPPONENTS: Those who oppose the bill say that a very large portion of household income is spent on taxes. Governments always want more money from their citizens. Governments should work for taxpayers, not taxpayers for the government. Instead, budgets should be reduced dramatically so cities can live within their means.

Testifying in person against the bill was Arnie Dienoff.

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.