

HOUSE SUBSTITUTE
FOR
HOUSE COMMITTEE SUBSTITUTE

FOR
SENATE BILL NO. 1391

AN ACT

2 To amend chapter 94, RSMo, by adding thereto
3 two new sections relating to local taxes.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI,
5 AS FOLLOWS:

6 Section A. Chapter 94, RSMo, is amended by adding thereto
7 two new sections, to be known as sections 94.836 and 94.838, to
8 read as follows:

9 94.836. 1. The governing bodies of any fourth class city
10 with greater than two thousand two hundred but fewer than two
11 thousand three hundred inhabitants located in any county of the
12 third classification with greater than twenty thousand but fewer
13 than twenty thousand two hundred inhabitants, any city of the
14 fourth classification with more than six hundred but less than
15 seven hundred inhabitants and located in any county of the second
16 classification with more than nineteen thousand seven hundred but
17 less than nineteen thousand eight hundred inhabitants, and any
18 city of the fourth classification with more than two thousand two

1 hundred but less than two thousand four hundred inhabitants and
2 located in a county of the third classification without a
3 township form of government and with more than twenty thousand
4 but less than twenty thousand one hundred inhabitants may impose
5 a tax on the charges for all sleeping rooms paid by the transient
6 guests of hotels or motels situated in the city or a portion
7 thereof, which shall be not more than five percent per occupied
8 room per night, except that such tax shall not become effective
9 unless the governing body of the city submits to the voters of
10 the city at a state general or primary election a proposal to
11 authorize the governing body of the city to impose a tax under
12 this section. The tax authorized in this section shall be in
13 addition to the charge for the sleeping room and all other taxes
14 imposed by law, and shall be stated separately from all other
15 charges and taxes.

16 2. The ballot of submission for the tax authorized in this
17 section shall be in substantially the following form:

18 Shall (insert the name of the city) impose a tax on
19 the charges for all sleeping rooms paid by the transient guests
20 of hotels and motels situated in (name of city) at a rate
21 of (insert rate of percent) percent for tourism purposes,
22 including infrastructure improvements?

23 YES

NO

1 If a majority of the votes cast on the question by the qualified
2 voters voting thereon are in favor of the question, then the tax
3 shall become effective on the first day of the second calendar
4 quarter following the calendar quarter in which the election was
5 held. If a majority of the votes cast on the question by the
6 qualified voters voting thereon are opposed to the question, then
7 the tax shall not become effective unless and until the question
8 is resubmitted under this section to the qualified voters of the
9 city and such question is approved by a majority of the qualified
10 voters of the city voting on the question.

11 3. At least sixty-five percent of the revenue generated by
12 the tax authorized in this section shall be used by the city
13 solely for tourism purposes, and not more than thirty-five
14 percent of the revenue generated may be used for infrastructure
15 improvements. All revenue generated by the tax shall be
16 deposited in a special trust fund and shall be used solely for
17 the designated purposes. If the tax is repealed, all funds
18 remaining in the special trust fund shall continue to be used
19 solely for the designated purposes. Any funds in the special
20 trust fund which are not needed for current expenditures may be
21 invested by the governing body in accordance with applicable laws
22 relating to the investment of other city funds.

23 4. The governing body of any city that has adopted the
24 sales tax authorized in this section may submit the question of

1 repeal of the tax to the voters on any date available for
2 elections for the city. The ballot of submission shall be in
3 substantially the following form:

4 Shall (insert the name of the city) repeal the sales
5 tax imposed at a rate of (insert rate of percent) percent
6 for tourism purposes?

7 YES NO

8 If a majority of the votes cast on the proposal are in favor of
9 repeal, that repeal shall become effective on December thirty-
10 first of the calendar year in which such repeal was approved. If
11 a majority of the votes cast on the question by the qualified
12 voters voting thereon are opposed to the repeal, then the sales
13 tax authorized in this section shall remain effective until the
14 question is resubmitted under this section to the qualified
15 voters of the city, and the repeal is approved by a majority of
16 the qualified voters voting on the question.

17 5. Whenever the governing body of any city that has adopted
18 the sales tax authorized in this section receives a petition,
19 signed by ten percent of the registered voters of the city voting
20 in the last gubernatorial election, calling for an election to
21 repeal the sales tax imposed under this section, the governing
22 body shall submit to the voters of the city a proposal to repeal
23 the tax. If a majority of the votes cast on the question by the

1 qualified voters voting thereon are in favor of the repeal, that
2 repeal shall become effective on December thirty-first of the
3 calendar year in which such repeal was approved. If a majority
4 of the votes cast on the question by the qualified voters voting
5 thereon are opposed to the repeal, then the tax shall remain
6 effective until the question is resubmitted under this section to
7 the qualified voters of the city and the repeal is approved by a
8 majority of the qualified voters voting on the question.

9 6. As used in this section, "transient guests" means a
10 person or persons who occupy a room or rooms in a hotel or motel
11 for thirty-one days or less during any calendar quarter.

12 94.838. 1. As used in this section, the following terms
13 mean:

14 (1) "Food", all articles commonly used for food or drink,
15 including alcoholic beverages, the provisions of chapter 311,
16 RSMo, notwithstanding;

17 (2) "Food establishment", any cafe, cafeteria, lunchroom,
18 or restaurant which sells food at retail;

19 (3) "Municipality", any village with more than two hundred
20 but less than three hundred inhabitants and located in any county
21 of the third classification with a township form of government
22 and with more than twelve thousand five hundred but less than
23 twelve thousand six hundred inhabitants;

24 (4) "Transient quest", a person or persons who occupy a

1 room or rooms in a hotel or motel for thirty-one days or less
2 during any calendar quarter.

3 2. The governing body of any municipality may impose, by
4 order or ordinance:

5 (1) A tax, not to exceed six percent per room per night, on
6 the charges for all sleeping rooms paid by the transient guests
7 of hotels or motels situated in the municipality or a portion
8 thereof; and

9 (2) A tax, not to exceed one percent, on the gross receipts
10 derived from the retail sales of food by every person operating a
11 food establishment in the municipality.

12 The taxes shall be imposed solely for the purpose of funding the
13 construction, maintenance, and operation of capital improvements.

14 The order or ordinance shall not become effective unless the
15 governing body of the municipality submits to the voters of the
16 municipality at a state general or primary election a proposal to
17 authorize the governing body of the municipality to impose taxes
18 under this section. The taxes authorized in this section shall
19 be in addition to the charge for the sleeping room, the retail
20 sales of food at a food establishment, and all other taxes
21 imposed by law, and shall be stated separately from all other
22 charges and taxes.

23 3. The ballot of submission for the taxes authorized in

1 this section shall be in substantially the following form:

2 Shall (insert the name of the municipality) impose a
3 tax on the charges for all retail sales of food at a food
4 establishment situated in (name of municipality) at a rate
5 of (insert rate of percent) percent, and for all sleeping
6 rooms paid by the transient guests of hotels and motels situated
7 in (name of municipality) at a rate of (insert rate
8 of percent) percent, solely for the purpose of funding the
9 construction, maintenance, and operation of capital improvements?

10 [] YES

[] NO

11 If a majority of the votes cast on the question by the qualified
12 voters voting thereon are in favor of the question, then the
13 taxes shall become effective on the first day of the second
14 calendar quarter after the director of revenue receives notice of
15 the adoption of the taxes. If a majority of the votes cast on
16 the question by the qualified voters voting thereon are opposed
17 to the question, then the taxes shall not become effective unless
18 and until the question is resubmitted under this section to the
19 qualified voters and such question is approved by a majority of
20 the qualified voters voting on the question.

21 4. Any tax on the retail sales of food imposed under this
22 section shall be administered, collected, enforced, and operated
23 as required in section 32.087, RSMo, and any transient guest tax

1 imposed under this section shall be administered, collected,
2 enforced, and operated by the municipality imposing the tax. All
3 revenue generated by the tax shall be deposited in a special
4 trust fund and shall be used solely for the designated purposes.
5 If the tax is repealed, all funds remaining in the special trust
6 fund shall continue to be used solely for the designated
7 purposes. Any funds in the special trust fund which are not
8 needed for current expenditures may be invested in the same
9 manner as other funds are invested. Any interest and moneys
10 earned on such investments shall be credited to the fund.

11 5. The governing body of any municipality that has adopted
12 the taxes authorized in this section may submit the question of
13 repeal of the taxes to the voters on any date available for
14 elections for the municipality. The ballot of submission shall
15 be in substantially the following form:

16 Shall (insert the name of the municipality) repeal
17 the taxes imposed at the rates of (insert rate of percent)
18 and (insert rate of percent) percent for the purpose of
19 funding the construction, maintenance, and operation of capital
20 improvements?

21 [] YES

[] NO

22 If a majority of the votes cast on the proposal are in favor of
23 repeal, that repeal shall become effective on December

1 thirty-first of the calendar year in which such repeal was
2 approved. If a majority of the votes cast on the question by the
3 qualified voters voting thereon are opposed to the repeal, then
4 the tax authorized in this section shall remain effective until
5 the question is resubmitted under this section to the qualified
6 voters, and the repeal is approved by a majority of the qualified
7 voters voting on the question.

8 6. Whenever the governing body of any municipality that has
9 adopted the taxes authorized in this section receives a petition,
10 signed by ten percent of the registered voters of the
11 municipality voting in the last gubernatorial election, calling
12 for an election to repeal the taxes imposed under this section,
13 the governing body shall submit to the voters of the municipality
14 a proposal to repeal the taxes. If a majority of the votes cast
15 on the question by the qualified voters voting thereon are in
16 favor of the repeal, that repeal shall become effective on
17 December thirty-first of the calendar year in which such repeal
18 was approved. If a majority of the votes cast on the question by
19 the qualified voters voting thereon are opposed to the repeal,
20 then the tax shall remain effective until the question is
21 resubmitted under this section to the qualified voters and the
22 repeal is approved by a majority of the qualified voters voting
23 on the question.