

SENATE SUBSTITUTE
FOR
SENATE COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1442

AN ACT

To repeal sections 67.1000, 67.1360, 67.1361, 67.2000, 70.220, 94.510, 94.577, and 144.030, RSMo, and to enact in lieu thereof twelve new sections relating to taxes, with an emergency clause for a certain section.

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

1 Section A. Sections 67.1000, 67.1360, 67.1361, 67.2000,
2 70.220, 94.510, 94.577, and 144.030, RSMo, are repealed and
3 twelve sections 67.1000, 67.1360, 67.1361, 67.2000, 70.220,
4 94.271, 94.510, 94.577, 94.832, 144.019, 144.030, and 1, to read
5 as follows:

6 67.1000. 1. The governing body of any county or of any
7 city which is the county seat of any county or which now or
8 hereafter has a population of more than three thousand five
9 hundred inhabitants and which has heretofore been authorized by
10 the general assembly, or of any other city which has a population
11 of more than eighteen thousand and less than forty-five thousand
12 inhabitants located in a county of the first classification with
13 a population over two hundred thousand adjacent to a county of
14 the first classification with a population over nine hundred
15 thousand, may impose a tax on the charges for all sleeping rooms
16 paid by the transient guests of hotels or motels situated in the

1 city or county, which shall be not more than five percent per
2 occupied room per night, except that such tax shall not become
3 effective unless the governing body of the city or county submits
4 to the voters of the city or county at an election permitted
5 under section 115.123, RSMo, a proposal to authorize the
6 governing body of the city or county to impose a tax under the
7 provisions of this section and section 67.1002. The tax
8 authorized by this section and section 67.1002 shall be in
9 addition to the charge for the sleeping room and shall be in
10 addition to any and all taxes imposed by law and the proceeds of
11 such tax shall be used by the city or county solely for funding a
12 convention and visitors bureau which shall be a general
13 not-for-profit organization with whom the city or county has
14 contracted, and which is established for the purpose of promoting
15 the city or county as a convention, visitor and tourist center.
16 Such tax shall be stated separately from all other charges and
17 taxes.

18 2. In any county of the third classification without a
19 township form of government and with more than forty-one thousand
20 one hundred but fewer than forty-one thousand two hundred
21 inhabitants, "transient guests", as used in this section and
22 section 67.1002, means a person or persons who occupy a room or
23 rooms in a hotel or motel for ninety days or less during any
24 calendar quarter.

25 3. Provisions of this section to the contrary
26 notwithstanding, the governing body of any home rule city with
27 more than thirty-nine thousand six hundred but fewer than
28 thirty-nine thousand seven hundred inhabitants and partially

1 located in any county of the first classification with more than
2 seventy-one thousand three hundred but fewer than seventy-one
3 thousand four hundred inhabitants may impose a tax on the charges
4 for all sleeping rooms paid by the transient guests of hotels or
5 motels situated in the city, which shall be not more than seven
6 percent per occupied room per night, except that such tax shall
7 not become effective unless the governing body of such city
8 submits to the voters of the city at an election permitted under
9 section 115.123, a proposal to authorize the governing body of
10 the city to impose a tax under the provisions of this section and
11 section 67.1002. The tax authorized by this section and section
12 67.1002 shall be in addition to the charge for the sleeping room
13 and shall be in addition to any and all taxes imposed by law and
14 the proceeds of such tax shall be used by the city solely for
15 funding a convention and visitors bureau which shall be a general
16 not-for-profit organization with whom the city has contracted,
17 and which is established for the purpose of promoting the city as
18 a convention, visitor, and tourist center. Such tax shall be
19 stated separately from all other charges and taxes.

20 67.1360. 1. The governing body of the following cities and
21 counties may impose a tax as provided in this section:

22 (1) A city with a population of more than seven thousand
23 and less than seven thousand five hundred;

24 (2) A county with a population of over nine thousand six
25 hundred and less than twelve thousand which has a total assessed
26 valuation of at least sixty-three million dollars, if the county
27 submits the issue to the voters of such county prior to January
28 1, 2003;

1 (3) A third class city which is the county seat of a county
2 of the third classification without a township form of government
3 with a population of at least twenty-five thousand but not more
4 than thirty thousand inhabitants;

5 (4) Any fourth class city having, according to the last
6 federal decennial census, a population of more than one thousand
7 eight hundred fifty inhabitants but less than one thousand nine
8 hundred fifty inhabitants in a county of the first classification
9 with a charter form of government and having a population of
10 greater than six hundred thousand but less than nine hundred
11 thousand inhabitants;

12 (5) Any city having a population of more than three
13 thousand but less than eight thousand inhabitants in a county of
14 the fourth classification having a population of greater than
15 forty-eight thousand inhabitants;

16 (6) Any city having a population of less than two hundred
17 fifty inhabitants in a county of the fourth classification having
18 a population of greater than forty-eight thousand inhabitants;

19 (7) Any fourth class city having a population of more than
20 two thousand five hundred but less than three thousand
21 inhabitants in a county of the third classification having a
22 population of more than twenty-five thousand but less than
23 twenty-seven thousand inhabitants;

24 (8) Any third class city with a population of more than
25 three thousand two hundred but less than three thousand three
26 hundred located in a county of the third classification having a
27 population of more than thirty-five thousand but less than
28 thirty-six thousand;

1 (9) Any county of the second classification without a
2 township form of government and a population of less than thirty
3 thousand;

4 (10) Any city of the fourth class in a county of the second
5 classification without a township form of government and a
6 population of less than thirty thousand;

7 (11) Any county of the third classification with a township
8 form of government and a population of at least twenty-eight
9 thousand but not more than thirty thousand;

10 (12) Any city of the fourth class with a population of more
11 than one thousand eight hundred but less than two thousand in a
12 county of the third classification with a township form of
13 government and a population of at least twenty-eight thousand but
14 not more than thirty thousand;

15 (13) Any city of the third class with a population of more
16 than seven thousand two hundred but less than seven thousand five
17 hundred within a county of the third classification with a
18 population of more than twenty-one thousand but less than
19 twenty-three thousand;

20 (14) Any fourth class city having a population of more than
21 two thousand eight hundred but less than three thousand one
22 hundred inhabitants in a county of the third classification with
23 a township form of government having a population of more than
24 eight thousand four hundred but less than nine thousand
25 inhabitants;

26 (15) Any fourth class city with a population of more than
27 four hundred seventy but less than five hundred twenty
28 inhabitants located in a county of the third classification with

1 a population of more than fifteen thousand nine hundred but less
2 than sixteen thousand inhabitants;

3 (16) Any third class city with a population of more than
4 three thousand eight hundred but less than four thousand
5 inhabitants located in a county of the third classification with
6 a population of more than fifteen thousand nine hundred but less
7 than sixteen thousand inhabitants;

8 (17) Any fourth class city with a population of more than
9 four thousand three hundred but less than four thousand five
10 hundred inhabitants located in a county of the third
11 classification without a township form of government with a
12 population greater than sixteen thousand but less than sixteen
13 thousand two hundred inhabitants;

14 (18) Any fourth class city with a population of more than
15 two thousand four hundred but less than two thousand six hundred
16 inhabitants located in a county of the first classification
17 without a charter form of government with a population of more
18 than fifty-five thousand but less than sixty thousand
19 inhabitants;

20 (19) Any fourth class city with a population of more than
21 two thousand five hundred but less than two thousand six hundred
22 inhabitants located in a county of the third classification with
23 a population of more than nineteen thousand one hundred but less
24 than nineteen thousand two hundred inhabitants;

25 (20) Any county of the third classification without a
26 township form of government with a population greater than
27 sixteen thousand but less than sixteen thousand two hundred
28 inhabitants;

1 (21) Any county of the second classification with a
2 population of more than forty-four thousand but less than fifty
3 thousand inhabitants;

4 (22) Any third class city with a population of more than
5 nine thousand five hundred but less than nine thousand seven
6 hundred inhabitants located in a county of the first
7 classification without a charter form of government and with a
8 population of more than one hundred ninety-eight thousand but
9 less than one hundred ninety-eight thousand two hundred
10 inhabitants;

11 (23) Any city of the fourth classification with more than
12 five thousand two hundred but less than five thousand three
13 hundred inhabitants located in a county of the third
14 classification without a township form of government and with
15 more than twenty-four thousand five hundred but less than
16 twenty-four thousand six hundred inhabitants;

17 (24) Any third class city with a population of more than
18 nineteen thousand nine hundred but less than twenty thousand in a
19 county of the first classification without a charter form of
20 government and with a population of more than one hundred
21 ninety-eight thousand but less than one hundred ninety-eight
22 thousand two hundred inhabitants;

23 (25) Any city of the fourth classification with more than
24 two thousand six hundred but less than two thousand seven hundred
25 inhabitants located in any county of the third classification
26 without a township form of government and with more than fifteen
27 thousand three hundred but less than fifteen thousand four
28 hundred inhabitants;

1 (26) Any county of the third classification without a
2 township form of government and with more than fourteen thousand
3 nine hundred but less than fifteen thousand inhabitants;

4 (27) Any city of the fourth classification with more than
5 five thousand four hundred but fewer than five thousand five
6 hundred inhabitants and located in more than one county;

7 (28) Any city of the fourth classification with more than
8 six thousand three hundred but fewer than six thousand five
9 hundred inhabitants and located in more than one county through
10 the creation of a tourism district which may include, in addition
11 to the geographic area of such city, the area encompassed by the
12 portion of the school district, located within a county of the
13 first classification with more than ninety-three thousand eight
14 hundred but fewer than ninety-three thousand nine hundred
15 inhabitants, having an average daily attendance for school year
16 2005-06 between one thousand eight hundred and one thousand nine
17 hundred;

18 (29) Any city of the fourth classification with more than
19 seven thousand seven hundred but less than seven thousand eight
20 hundred inhabitants located in a county of the first
21 classification with more than ninety-three thousand eight hundred
22 but less than ninety-three thousand nine hundred inhabitants;

23 (30) Any city of the fourth classification with more than
24 two thousand nine hundred but less than three thousand
25 inhabitants located in a county of the first classification with
26 more than seventy-three thousand seven hundred but less than
27 seventy-three thousand eight hundred inhabitants;

28 (31) Any city of the third classification with more than

1 nine thousand three hundred but less than nine thousand four
2 hundred inhabitants; [or]

3 (32) Any city of the fourth classification with more than
4 three thousand eight hundred but fewer than three thousand nine
5 hundred inhabitants and located in any county of the first
6 classification with more than thirty-nine thousand seven hundred
7 but fewer than thirty-nine thousand eight hundred inhabitants;

8 (33) Any city of the fourth classification with more than
9 one thousand eight hundred but fewer than one thousand nine
10 hundred inhabitants and located in any county of the first
11 classification with more than one hundred thirty-five thousand
12 four hundred but fewer than one hundred thirty-five thousand five
13 hundred inhabitants;

14 (34) Any county of the third classification without a
15 township form of government and with more than twelve thousand
16 one hundred but fewer than twelve thousand two hundred
17 inhabitants; or

18 (35) Any city of the fourth classification with more than
19 three thousand eight hundred and fifty but fewer than four
20 thousand inhabitants and located in more than one county;
21 provided, however, that motels owned by not-for-profit
22 organizations are exempt.

23 2. The governing body of any city or county listed in
24 subsection 1 of this section may impose a tax on the charges for
25 all sleeping rooms paid by the transient guests of hotels,
26 motels, bed and breakfast inns and campgrounds and any docking
27 facility which rents slips to recreational boats which are used
28 by transients for sleeping, which shall be at least two percent,

1 but not more than five percent per occupied room per night,
2 except that such tax shall not become effective unless the
3 governing body of the city or county submits to the voters of the
4 city or county at a state general, primary or special election, a
5 proposal to authorize the governing body of the city or county to
6 impose a tax pursuant to the provisions of this section and
7 section 67.1362. The tax authorized by this section and section
8 67.1362 shall be in addition to any charge paid to the owner or
9 operator and shall be in addition to any and all taxes imposed by
10 law and the proceeds of such tax shall be used by the city or
11 county solely for funding the promotion of tourism. Such tax
12 shall be stated separately from all other charges and taxes.

13 67.1361. 1. The governing body of any county of the first
14 classification without a charter form of government and with more
15 than eighty-five thousand nine hundred but less than eighty-six
16 thousand inhabitants and the governing body of any home rule city
17 with more than seventy-three thousand nine hundred but less than
18 seventy-four thousand inhabitants may impose a tax on the charges
19 for all sleeping rooms paid by the transient guests of hotels,
20 motels, bed and breakfast inns and campgrounds and any docking
21 facility which rents slips to recreational boats which are used
22 by transients for sleeping, which shall be at least two percent,
23 but not more than eight percent per occupied room or slip per
24 night, except that such tax shall not become effective unless the
25 governing body of the county or city submits to the voters of the
26 county or city at a state general, primary or special election, a
27 proposal to authorize the governing body of the county or city to
28 impose a tax pursuant to this section. The tax authorized by

1 this section shall be in addition to any charge paid to the owner
2 or operator and shall be in addition to any and all taxes imposed
3 by law and the proceeds of such tax shall be used by the city or
4 county for funding the promotion of tourism and convention
5 facilities including capital expenditures therefor. Such tax
6 shall be stated separately from all other charges and taxes.

7 2. Any tax imposed by a county pursuant to subsection 1 of
8 this section shall apply only to unincorporated areas of such
9 county.

10 3. The question shall be submitted in substantially the
11 following form:

12 Shall the
13 (city or
14 county) levy a tax of percent on each sleeping room
15 or campsite occupied and rented by transient guests and any
16 docking facility which rents slips to recreational boats which
17 are used by transients for sleeping in the
18 (city
19 or county), where the proceeds of which shall be expended for
20 promotion of tourism and convention facilities?

21 YES NO

22 If a majority of the votes cast on the question by the qualified
23 voters voting thereon are in favor of the question, then the tax
24 shall become effective on the first day of the calendar quarter
25 following the calendar quarter in which the election was held.

26 If a majority of the votes cast on the question by the qualified
27 voters voting thereon are opposed to the question, then the
28 governing body for the city or county shall have no power to

1 impose the tax authorized by this section unless and until the
2 governing body of the city or county again submits the question
3 to the qualified voters of the city or county and such question
4 is approved by a majority of the qualified voters voting on the
5 question.

6 4. On and after the effective date of any tax authorized
7 under the provisions of this section, the city or county may
8 adopt one of the two following provisions for the collection and
9 administration of the tax:

10 (1) The city or county may adopt rules and regulations for
11 the internal collection of such tax by the city or county
12 officers usually responsible for collection and administration of
13 city or county taxes; or

14 (2) The city or county enter into an agreement with the
15 director of revenue of the state of Missouri for the purpose of
16 collecting the tax authorized in this section. In the event any
17 city or county enters into an agreement with the director of
18 revenue of the state of Missouri for the collection of the tax
19 authorized in this section, the director of revenue shall perform
20 all functions incident to the administration, collection,
21 enforcement and operation of such tax, and the director of
22 revenue shall collect the additional tax authorized under the
23 provisions of this section. The tax authorized under the
24 provisions of this section shall be collected and reported upon
25 such forms and under such administrative rules and regulations as
26 may be prescribed by the director of revenue, and the director of
27 revenue shall retain an amount not to exceed one percent for cost
28 of collection.

1 5. If a tax is imposed by a city or county under this
2 section, the city or county may collect a penalty of one percent
3 and interest not to exceed two percent per month on unpaid taxes
4 which shall be considered delinquent thirty days after the last
5 day of each quarter.

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

9 67.2000. 1. This section shall be known as the "Exhibition
10 Center and Recreational Facility District Act".

11 2. Whenever not less than fifty owners of real property
12 located within any county of the first classification with more
13 than seventy-one thousand three hundred but less than seventy-one
14 thousand four hundred inhabitants, or any county of the first
15 classification with more than one hundred ninety-eight thousand
16 but less than one hundred ninety-nine thousand two hundred
17 inhabitants, or any county of the first classification with more
18 than eighty-five thousand nine hundred but less than eighty-six
19 thousand inhabitants, or any county of the second classification
20 with more than fifty-two thousand six hundred but less than
21 fifty-two thousand seven hundred inhabitants, or any county of
22 the first classification with more than one hundred four thousand
23 six hundred but less than one hundred four thousand seven hundred
24 inhabitants, or any county of the third classification without a
25 township form of government and with more than seventeen thousand
26 nine hundred but less than eighteen thousand inhabitants, or any
27 county of the first classification with more than thirty-seven
28 thousand but less than thirty-seven thousand one hundred

1 inhabitants, or any county of the third classification without a
2 township form of government and with more than twenty-three
3 thousand five hundred but less than twenty-three thousand six
4 hundred inhabitants, or any county of the third classification
5 without a township form of government and with more than nineteen
6 thousand three hundred but less than nineteen thousand four
7 hundred inhabitants, or any county of the first classification
8 with more than two hundred forty thousand three hundred but less
9 than two hundred forty thousand four hundred inhabitants, or any
10 county of the third classification with a township form of
11 government and with more than eight thousand nine hundred but
12 fewer than nine thousand inhabitants, or any county of the third
13 classification without a township form of government and with
14 more than eighteen thousand nine hundred but fewer than nineteen
15 thousand inhabitants, or any county of the third classification
16 with a township form of government and with more than eight
17 thousand but fewer than eight thousand one hundred inhabitants,
18 or any county of the third classification with a township form of
19 government and with more than eleven thousand five hundred but
20 fewer than eleven thousand six hundred inhabitants, desire to
21 create an exhibition center and recreational facility district,
22 the property owners shall file a petition with the governing body
23 of each county located within the boundaries of the proposed
24 district requesting the creation of the district. The district
25 boundaries may include all or part of the counties described in
26 this section. The petition shall contain the following
27 information:

28 (1) The name and residence of each petitioner and the

1 location of the real property owned by the petitioner;

2 (2) A specific description of the proposed district
3 boundaries, including a map illustrating the boundaries; and

4 (3) The name of the proposed district.

5 3. Upon the filing of a petition pursuant to this section,
6 the governing body of any county described in this section may,
7 by resolution, approve the creation of a district. Any
8 resolution to establish such a district shall be adopted by the
9 governing body of each county located within the proposed
10 district, and shall contain the following information:

11 (1) A description of the boundaries of the proposed
12 district;

13 (2) The time and place of a hearing to be held to consider
14 establishment of the proposed district;

15 (3) The proposed sales tax rate to be voted on within the
16 proposed district; and

17 (4) The proposed uses for the revenue generated by the new
18 sales tax.

19 4. Whenever a hearing is held as provided by this section,
20 the governing body of each county located within the proposed
21 district shall:

22 (1) Publish notice of the hearing on two separate occasions
23 in at least one newspaper of general circulation in each county
24 located within the proposed district, with the first publication
25 to occur not more than thirty days before the hearing, and the
26 second publication to occur not more than fifteen days or less
27 than ten days before the hearing;

28 (2) Hear all protests and receive evidence for or against

1 the establishment of the proposed district; and

2 (3) Rule upon all protests, which determinations shall be
3 final.

4 5. Following the hearing, if the governing body of each
5 county located within the proposed district decides to establish
6 the proposed district, it shall adopt an order to that effect; if
7 the governing body of any county located within the proposed
8 district decides to not establish the proposed district, the
9 boundaries of the proposed district shall not include that
10 county. The order shall contain the following:

11 (1) The description of the boundaries of the district;

12 (2) A statement that an exhibition center and recreational
13 facility district has been established;

14 (3) The name of the district;

15 (4) The uses for any revenue generated by a sales tax
16 imposed pursuant to this section; and

17 (5) A declaration that the district is a political
18 subdivision of the state.

19 6. A district established pursuant to this section may, at
20 a general, primary, or special election, submit to the qualified
21 voters within the district boundaries a sales tax of one-fourth
22 of one percent, for a period not to exceed twenty-five years, on
23 all retail sales within the district, which are subject to
24 taxation pursuant to sections 144.010 to 144.525, RSMo, to fund
25 the acquisition, construction, maintenance, operation,
26 improvement, and promotion of an exhibition center and
27 recreational facilities. The ballot of submission shall be in
28 substantially the following form:

1 Shall the (name of district) impose a sales tax
2 of one-fourth of one percent to fund the acquisition,
3 construction, maintenance, operation, improvement, and promotion
4 of an exhibition center and recreational facilities, for a period
5 of (insert number of years)?

6 YES NO

7 If you are in favor of the question, place an "X" in the box
8 opposite "YES". If you are opposed to the question, place an "X"
9 in the box opposite "NO".

10

11 If a majority of the votes cast in the portion of any county that
12 is part of the proposed district favor the proposal, then the
13 sales tax shall become effective in that portion of the county
14 that is part of the proposed district on the first day of the
15 first calendar quarter immediately following the election. If a
16 majority of the votes cast in the portion of a county that is a
17 part of the proposed district oppose the proposal, then that
18 portion of such county shall not impose the sales tax authorized
19 in this section until after the county governing body has
20 submitted another such sales tax proposal and the proposal is
21 approved by a majority of the qualified voters voting thereon.
22 However, if a sales tax proposal is not approved, the governing
23 body of the county shall not resubmit a proposal to the voters
24 pursuant to this section sooner than twelve months from the date
25 of the last proposal submitted pursuant to this section. If the
26 qualified voters in two or more counties that have contiguous
27 districts approve the sales tax proposal, the districts shall
28 combine to become one district.

1 7. There is hereby created a board of trustees to
2 administer any district created and the expenditure of revenue
3 generated pursuant to this section consisting of four individuals
4 to represent each county approving the district, as provided in
5 this subsection. The governing body of each county located
6 within the district, upon approval of that county's sales tax
7 proposal, shall appoint four members to the board of trustees; at
8 least one shall be an owner of a nonlodging business located
9 within the taxing district, or their designee, at least one shall
10 be an owner of a lodging facility located within the district, or
11 their designee, and all members shall reside in the district
12 except that one nonlodging business owner, or their designee, and
13 one lodging facility owner, or their designee, may reside outside
14 the district. Each trustee shall be at least twenty-five years
15 of age and a resident of this state. Of the initial trustees
16 appointed from each county, two shall hold office for two years,
17 and two shall hold office for four years. Trustees appointed
18 after expiration of the initial terms shall be appointed to a
19 four-year term by the governing body of the county the trustee
20 represents, with the initially appointed trustee to remain in
21 office until a successor is appointed, and shall take office upon
22 being appointed. Each trustee may be reappointed. Vacancies
23 shall be filled in the same manner in which the trustee vacating
24 the office was originally appointed. The trustees shall not
25 receive compensation for their services, but may be reimbursed
26 for their actual and necessary expenses. The board shall elect a
27 chair and other officers necessary for its membership. Trustees
28 may be removed if:

1 (1) By a two-thirds vote, the board moves for the member's
2 removal and submits such motion to the governing body of the
3 county from which the trustee was appointed; and

4 (2) The governing body of the county from which the trustee
5 was appointed, by a majority vote, adopts the motion for removal.

6 8. The board of trustees shall have the following powers,
7 authority, and privileges:

8 (1) To have and use a corporate seal;

9 (2) To sue and be sued, and be a party to suits, actions,
10 and proceedings;

11 (3) To enter into contracts, franchises, and agreements
12 with any person or entity, public or private, affecting the
13 affairs of the district, including contracts with any
14 municipality, district, or state, or the United States, and any
15 of their agencies, political subdivisions, or instrumentalities,
16 for the funding, including without limitation interest rate
17 exchange or swap agreements, planning, development, construction,
18 acquisition, maintenance, or operation of a single exhibition
19 center and recreational facilities or to assist in such activity.
20 "Recreational facilities" means locations explicitly designated
21 for public use where the primary use of the facility involves
22 participation in hobbies or athletic activities;

23 (4) To borrow money and incur indebtedness and evidence the
24 same by certificates, notes, or debentures, to issue bonds and
25 use any one or more lawful funding methods the district may
26 obtain for its purposes at such rates of interest as the district
27 may determine. Any bonds, notes, and other obligations issued or
28 delivered by the district may be secured by mortgage, pledge, or

1 deed of trust of any or all of the property and income of the
2 district. Every issue of such bonds, notes, or other obligations
3 shall be payable out of property and revenues of the district and
4 may be further secured by other property of the district, which
5 may be pledged, assigned, mortgaged, or a security interest
6 granted for such payment, without preference or priority of the
7 first bonds issued, subject to any agreement with the holders of
8 any other bonds pledging any specified property or revenues.
9 Such bonds, notes, or other obligations shall be authorized by
10 resolution of the district board, and shall bear such date or
11 dates, and shall mature at such time or times, but not in excess
12 of thirty years, as the resolution shall specify. Such bonds,
13 notes, or other obligations shall be in such denomination, bear
14 interest at such rate or rates, be in such form, either coupon or
15 registered, be issued as current interest bonds, compound
16 interest bonds, variable rate bonds, convertible bonds, or zero
17 coupon bonds, be issued in such manner, be payable in such place
18 or places, and be subject to redemption as such resolution may
19 provide, notwithstanding section 108.170, RSMo. The bonds,
20 notes, or other obligations may be sold at either public or
21 private sale, at such interest rates, and at such price or prices
22 as the district shall determine;

23 (5) To acquire, transfer, donate, lease, exchange,
24 mortgage, and encumber real and personal property in furtherance
25 of district purposes;

26 (6) To refund any bonds, notes, or other obligations of the
27 district without an election. The terms and conditions of
28 refunding obligations shall be substantially the same as those of

1 the original issue, and the board shall provide for the payment
2 of interest at not to exceed the legal rate, and the principal of
3 such refunding obligations in the same manner as is provided for
4 the payment of interest and principal of obligations refunded;

5 (7) To have the management, control, and supervision of all
6 the business and affairs of the district, and the construction,
7 installation, operation, and maintenance of district improvements
8 therein; to collect rentals, fees, and other charges in
9 connection with its services or for the use of any of its
10 facilities;

11 (8) To hire and retain agents, employees, engineers, and
12 attorneys;

13 (9) To receive and accept by bequest, gift, or donation any
14 kind of property;

15 (10) To adopt and amend bylaws and any other rules and
16 regulations not in conflict with the constitution and laws of
17 this state, necessary for the carrying on of the business,
18 objects, and affairs of the board and of the district; and

19 (11) To have and exercise all rights and powers necessary
20 or incidental to or implied from the specific powers granted by
21 this section.

22 9. There is hereby created the "Exhibition Center and
23 Recreational Facility District Sales Tax Trust Fund", which shall
24 consist of all sales tax revenue collected pursuant to this
25 section. The director of revenue shall be custodian of the trust
26 fund, and moneys in the trust fund shall be used solely for the
27 purposes authorized in this section. Moneys in the trust fund
28 shall be considered nonstate funds pursuant to section 15,

1 article IV, Constitution of Missouri. The director of revenue
2 shall invest moneys in the trust fund in the same manner as other
3 funds are invested. Any interest and moneys earned on such
4 investments shall be credited to the trust fund. All sales taxes
5 collected by the director of revenue pursuant to this section on
6 behalf of the district, less one percent for the cost of
7 collection which shall be deposited in the state's general
8 revenue fund after payment of premiums for surety bonds as
9 provided in section 32.087, RSMo, shall be deposited in the trust
10 fund. The director of revenue shall keep accurate records of the
11 amount of moneys in the trust fund which was collected in the
12 district imposing a sales tax pursuant to this section, and the
13 records shall be open to the inspection of the officers of each
14 district and the general public. Not later than the tenth day of
15 each month, the director of revenue shall distribute all moneys
16 deposited in the trust fund during the preceding month to the
17 district. The director of revenue may authorize refunds from the
18 amounts in the trust fund and credited to the district for
19 erroneous payments and overpayments made, and may redeem
20 dishonored checks and drafts deposited to the credit of the
21 district.

22 10. The sales tax authorized by this section is in addition
23 to all other sales taxes allowed by law. Except as modified in
24 this section, all provisions of sections 32.085 and 32.087, RSMo,
25 apply to the sales tax imposed pursuant to this section.

26 11. Any sales tax imposed pursuant to this section shall
27 not extend past the initial term approved by the voters unless an
28 extension of the sales tax is submitted to and approved by the

1 qualified voters in each county in the manner provided in this
2 section. Each extension of the sales tax shall be for a period
3 not to exceed twenty years. The ballot of submission for the
4 extension shall be in substantially the following form:

5 Shall the (name of district) extend the sales tax
6 of one-fourth of one percent for a period of (insert number
7 of years) years to fund the acquisition, construction,
8 maintenance, operation, improvement, and promotion of an
9 exhibition center and recreational facilities?

10 YES NO

11 If you are in favor of the question, place an "X" in the box
12 opposite "YES". If you are opposed to the question, place an "X"
13 in the box opposite "NO".

14
15 If a majority of the votes cast favor the extension, then the
16 sales tax shall remain in effect at the rate and for the time
17 period approved by the voters. If a sales tax extension is not
18 approved, the district may submit another sales tax proposal as
19 authorized in this section, but the district shall not submit
20 such a proposal to the voters sooner than twelve months from the
21 date of the last extension submitted.

22 12. Once the sales tax authorized by this section is
23 abolished or terminated by any means, all funds remaining in the
24 trust fund shall be used solely for the purposes approved in the
25 ballot question authorizing the sales tax. The sales tax shall
26 not be abolished or terminated while the district has any
27 financing or other obligations outstanding; provided that any new
28 financing, debt, or other obligation or any restructuring or

1 refinancing of an existing debt or obligation incurred more than
2 ten years after voter approval of the sales tax provided in this
3 section or more than ten years after any voter-approved extension
4 thereof shall not cause the extension of the sales tax provided
5 in this section or cause the final maturity of any financing or
6 other obligations outstanding to be extended. Any funds in the
7 trust fund which are not needed for current expenditures may be
8 invested by the district in the securities described in
9 subdivisions (1) to (12) of subsection 1 of section 30.270, RSMo,
10 or repurchase agreements secured by such securities. If the
11 district abolishes the sales tax, the district shall notify the
12 director of revenue of the action at least ninety days before the
13 effective date of the repeal, and the director of revenue may
14 order retention in the trust fund, for a period of one year, of
15 two percent of the amount collected after receipt of such notice
16 to cover possible refunds or overpayment of the sales tax and to
17 redeem dishonored checks and drafts deposited to the credit of
18 such accounts. After one year has elapsed after the effective
19 date of abolition of the sales tax in the district, the director
20 of revenue shall remit the balance in the account to the district
21 and close the account of the district. The director of revenue
22 shall notify the district of each instance of any amount refunded
23 or any check redeemed from receipts due the district.

24 13. In the event that the district is dissolved or
25 terminated by any means, the governing bodies of the counties in
26 the district shall appoint a person to act as trustee for the
27 district so dissolved or terminated. Before beginning the
28 discharge of duties, the trustee shall take and subscribe an oath

1 to faithfully discharge the duties of the office, and shall give
2 bond with sufficient security, approved by the governing bodies
3 of the counties, to the use of the dissolved or terminated
4 district, for the faithful discharge of duties. The trustee
5 shall have and exercise all powers necessary to liquidate the
6 district, and upon satisfaction of all remaining obligations of
7 the district, shall pay over to the county treasurer of each
8 county in the district and take receipt for all remaining moneys
9 in amounts based on the ratio the levy of each county bears to
10 the total levy for the district in the previous three years or
11 since the establishment of the district, whichever time period is
12 shorter. Upon payment to the county treasurers, the trustee
13 shall deliver to the clerk of the governing body of any county in
14 the district all books, papers, records, and deeds belonging to
15 the dissolved district.

16 70.220. 1. Any municipality or political subdivision of
17 this state, as herein defined, may contract and cooperate with
18 any other municipality or political subdivision, or with an
19 elective or appointive official thereof, or with a duly
20 authorized agency of the United States, or of this state, or with
21 other states or their municipalities or political subdivisions,
22 or with any private person, firm, association or corporation, for
23 the planning, development, construction, acquisition or operation
24 of any public improvement or facility, or for a common service;
25 provided, that the subject and purposes of any such contract or
26 cooperative action made and entered into by such municipality or
27 political subdivision shall be within the scope of the powers of
28 such municipality or political subdivision.

1 2. Any municipality or political subdivision of this state
2 may contract with one or more adjacent municipalities or
3 political subdivisions to share the tax revenues of such
4 cooperating entities that are generated from real property and
5 the improvements constructed thereon, if such real property is
6 located within the boundaries of either or both municipalities or
7 subdivisions and within three thousand feet of a common border of
8 the contracting municipalities or political subdivisions. The
9 purpose of such contract shall be within the scope of powers of
10 each municipality or political subdivision. Municipalities or
11 political subdivisions separated only by a public street,
12 easement, or right-of-way shall be considered to share a common
13 border for purposes of this subsection.

14 3. Any home rule city with more than seventy-three thousand
15 but fewer than seventy-five thousand inhabitants may contract
16 with any county of the first classification with more than
17 eighty-five thousand nine hundred but fewer than eighty-six
18 thousand inhabitants to share tax revenues for the purpose of
19 promoting tourism and the construction, maintenance, and
20 improvement of convention center and recreational facilities. In
21 the event an agreement for the distribution of tax revenues is
22 entered into between a county of the first classification with
23 more than eighty-five thousand nine hundred but fewer than
24 eighty-six thousand inhabitants and a home rule city with more
25 than seventy-three thousand but fewer than seventy-five thousand
26 inhabitants, then all revenue received from such taxes shall be
27 distributed in accordance with the terms of said agreement. For
28 purposes of this subsection, the term "tax revenues" shall

1 include tax revenues generated from the imposition of a transient
2 quest tax imposed under the provisions of section 67.1361.

3 4. If any contract or cooperative action entered into under
4 this section is between a municipality or political subdivision
5 and an elective or appointive official of another municipality or
6 political subdivision, such contract or cooperative action shall
7 be approved by the governing body of the unit of government in
8 which such elective or appointive official resides.

9 [4.] 5. In the event an agreement for the distribution of
10 tax revenues is entered into between a county of the first
11 classification without a charter form of government and a
12 constitutional charter city with a population of more than one
13 hundred forty thousand that is located in said county prior to a
14 vote to authorize the imposition of such tax, then all revenue
15 received from such tax shall be distributed in accordance with
16 said agreement for so long as the tax remains in effect or until
17 the agreement is modified by mutual agreement of the parties.

18 94.271. 1. The governing body of any city of the fourth
19 classification with more than twenty-four thousand eight hundred
20 but fewer than twenty-five thousand inhabitants may impose a tax
21 on the charges for all sleeping rooms paid by the transient
22 guests of hotels or motels situated in the city or a portion
23 thereof, which shall not be more than five percent per occupied
24 room per night, except that such tax shall not become effective
25 unless the governing body of the city submits to the voters of
26 the city at a state general or primary election a proposal to
27 authorize the governing body of the city to impose a tax under
28 this section. The tax authorized in this section shall be in

1 94.510. 1. Any city may, by a majority vote of its council
2 or governing body, impose a city sales tax for the benefit of
3 such city in accordance with the provisions of sections 94.500 to
4 94.550; provided, however, that no ordinance enacted pursuant to
5 the authority granted by the provisions of sections 94.500 to
6 94.550 shall be effective unless the legislative body of the city
7 submits to the voters of the city, at a public election, a
8 proposal to authorize the legislative body of the city to impose
9 a tax under the provisions of sections 94.500 to 94.550.

10 The ballot of submission shall be in substantially the
11 following form:

12 Shall the city of (insert name of
13 city) impose a city sales tax of (insert
14 rate of percent) percent?

15 YES NO

16 If a majority of the votes cast on the proposal by the qualified
17 voters voting thereon are in favor of the proposal, then the
18 ordinance and any amendments thereto shall be in effect. If a
19 majority of the votes cast by the qualified voters voting are
20 opposed to the proposal, then the legislative body of the city
21 shall have no power to impose the tax herein authorized unless
22 and until the legislative body of the city shall again have
23 submitted another proposal to authorize the legislative body of
24 the city to impose the tax under the provisions of sections
25 94.500 to 94.550, and such proposal is approved by a majority of
26 the qualified voters voting thereon.

27 2. The sales tax may be imposed at a rate of one-half of
28 one percent, seven-eighths of one percent or one percent on the

1 receipts from the sale at retail of all tangible personal
2 property or taxable services at retail within any city adopting
3 such tax, if such property and services are subject to taxation
4 by the state of Missouri under the provisions of sections 144.010
5 to 144.525, RSMo; except that, each city not within a county may
6 impose such tax at a rate not to exceed one and three-eighths
7 percent.

8 3. If any city in which a city tax has been imposed in the
9 manner provided for in sections 94.500 to 94.550 shall thereafter
10 change or alter its boundaries, the city clerk of the city shall
11 forward to the director of revenue by United States registered
12 mail or certified mail a certified copy of the ordinance adding
13 or detaching territory from the city. The ordinance shall
14 reflect the effective date thereof, and shall be accompanied by a
15 map of the city clearly showing the territory added thereto or
16 detached therefrom. Upon receipt of the ordinance and map, the
17 tax imposed by the act shall be effective in the added territory
18 or abolished in the detached territory on the effective date of
19 the change of the city boundary.

20 4. In any legal action brought against a city challenging
21 such city's authority to impose and collect taxes authorized
22 under this section, the prevailing party shall be entitled to
23 reasonable attorneys' fees and costs of such action.

24 94.577. 1. The governing body of any municipality except
25 those located in whole or in part within any first class county
26 having a charter form of government and not containing any part
27 of a city with a population of four hundred thousand or more and
28 adjacent to a city not within a county for that part of the

1 municipality located within such first class county is hereby
2 authorized to impose, by ordinance or order, a one-eighth,
3 one-fourth, three-eighths, or one-half of one percent sales tax
4 on all retail sales made in such municipality which are subject
5 to taxation under the provisions of sections 144.010 to 144.525,
6 RSMo, for the purpose of funding capital improvements, including
7 the operation and maintenance of capital improvements, which may
8 be funded by issuing bonds which will be retired by the revenues
9 received from the sales tax authorized by this section or the
10 retirement of debt under previously authorized bonded
11 indebtedness. A municipality located in a charter county may
12 impose a sales tax on all retail sales for capital improvements
13 as provided in section 94.890. The tax authorized by this
14 section shall be in addition to any and all other sales taxes
15 allowed by law; but no ordinance imposing a sales tax under the
16 provisions of this section shall be effective unless the
17 governing body of the municipality submits to the voters of the
18 municipality, at a municipal or state general, primary or special
19 election, a proposal to authorize the governing body of the
20 municipality to impose such tax and, if such tax is to be used to
21 retire bonds authorized under this section, to authorize such
22 bonds and their retirement by such tax, or to authorize the
23 retirement of debt under previously authorized bonded
24 indebtedness.

25 2. The ballot of submission shall contain, but need not be
26 limited to:

27 (1) If the proposal submitted involves only authorization
28 to impose the tax authorized by this section, the following

1 language:

2 Shall the municipality of (municipality's name)
3 impose a sales tax of (insert amount) for the purpose
4 of funding capital improvements which may include the retirement
5 of debt under previously authorized bonded indebtedness?

6 YES NO

7 If you are in favor of the question, place an "X" in the box
8 opposite "YES". If you are opposed to the question, place an "X"
9 in the box opposite "NO"; or

10 (2) If the proposal submitted involves authorization to
11 issue bonds and repay such bonds with revenues from the tax
12 authorized by this section, the following language:

13 Shall the municipality of (municipality's name)
14 issue bonds in the amount of (insert
15 amount) to fund capital improvements and impose a sales tax of
16 (insert amount) to repay bonds?

17 YES NO

18 If you are in favor of the question, place an "X" in the box
19 opposite "YES". If you are opposed to the question, place an "X"
20 in box opposite "NO". If a majority of the votes cast on the
21 proposal by the qualified voters voting thereon are in favor of
22 the proposal, including when the proposal authorizes the
23 reduction of debt under previously authorized bonded indebtedness
24 under subdivision (1) of this subsection, then the ordinance or
25 order and any amendments thereto shall be in effect, except that
26 any proposal submitted under subdivision (2) of this subsection
27 to issue bonds and impose a sales tax to retire such bonds must
28 be approved by the constitutionally required percentage of the

1 voters voting thereon to become effective. If a majority of the
2 votes cast by the qualified voters voting are opposed to the
3 proposal, then the governing body of the municipality shall have
4 no power to issue any bonds or impose the sales tax authorized in
5 this section unless and until the governing body of the
6 municipality shall again have submitted another proposal to
7 authorize the governing body of the municipality to issue any
8 bonds or impose the sales tax authorized by this section, and
9 such proposal is approved by the requisite majority of the
10 qualified voters voting thereon; however, in no event shall a
11 proposal pursuant to this section be submitted to the voters
12 sooner than twelve months from the date of the last proposal
13 pursuant to this section, except that any municipality with a
14 population of greater than four hundred thousand and located
15 within more than one county may submit a proposal pursuant to
16 this section to the voters sooner than twelve months from the
17 date of the last proposal submitted pursuant to this section if
18 submitted to the voters on or before November 6, 2001.

19 3. All revenue received by a municipality from the tax
20 authorized under the provisions of this section shall be
21 deposited in a special trust fund and shall be used solely for
22 capital improvements, including the operation and maintenance of
23 capital improvements, for so long as the tax shall remain in
24 effect. Once the tax authorized by this section is abolished or
25 is terminated by any means, all funds remaining in the special
26 trust fund required by this subsection shall be used solely for
27 the maintenance of the capital improvements made with revenues
28 raised by the tax authorized by this section. Any funds in the

1 special trust fund required by this subsection which are not
2 needed for current expenditures may be invested by the governing
3 body in accordance with applicable laws relating to the
4 investment of other municipal funds. The provisions of this
5 subsection shall apply only to taxes authorized by this section
6 which have not been imposed to retire bonds issued pursuant to
7 this section.

8 4. All revenue received by a municipality which issues
9 bonds under this section and imposes the tax authorized by this
10 section to retire such bonds shall be deposited in a special
11 trust fund and shall be used solely to retire such bonds, except
12 to the extent that such funds are required for the operation and
13 maintenance of capital improvements. Once all of such bonds have
14 been retired, all funds remaining in the special trust fund
15 required by this subsection shall be used solely for the
16 maintenance of the capital improvements made with the revenue
17 received as a result of the issuance of such bonds. Any funds in
18 the special trust fund required by this subsection which are not
19 needed to meet current obligations under the bonds issued under
20 this section may be invested by the governing body in accordance
21 with applicable laws relating to the investment of other
22 municipal funds. The provisions of this subsection shall apply
23 only to taxes authorized by this section which have been imposed
24 to retire bonds issued under this section.

25 5. After the effective date of any tax imposed under the
26 provisions of this section, the director of revenue shall perform
27 all functions incident to the administration, collection,
28 enforcement, and operation of the tax in the same manner as

1 provided in sections 94.500 to 94.550, and the director of
2 revenue shall collect in addition to the sales tax for the state
3 of Missouri the additional tax authorized under the authority of
4 this section. The tax imposed pursuant to this section and the
5 tax imposed under the sales tax law of the state of Missouri
6 shall be collected together and reported upon such forms and
7 under such administrative rules and regulations as may be
8 prescribed by the director of revenue. Except as modified in
9 this section, all provisions of sections 32.085 and 32.087, RSMo,
10 shall apply to the tax imposed under this section.

11 6. No tax imposed pursuant to this section for the purpose
12 of retiring bonds issued under this section may be terminated
13 until all of such bonds have been retired.

14 7. In any city not within a county, no tax shall be imposed
15 pursuant to this section for the purpose of funding in whole or
16 in part the construction, operation or maintenance of a sports
17 stadium, field house, indoor or outdoor recreational facility,
18 center, playing field, parking facility or anything incidental or
19 necessary to a complex suitable for any type of professional
20 sport or recreation, either upon, above or below the ground.

21 8. Any tax imposed under this section in any home rule city
22 with more than four hundred thousand inhabitants and located in
23 more than one county solely for public transit purposes shall not
24 be considered economic activity taxes as such term is defined
25 under sections 99.805 and 99.918, RSMo, and tax revenues derived
26 from such tax shall not be subject to allocation under the
27 provisions of subsection 3 of section 99.845, RSMo, or subsection
28 4 of section 99.957, RSMo.

1 9. The director of revenue may authorize the state
2 treasurer to make refunds from the amounts in the trust fund and
3 credited to any municipality for erroneous payments and
4 overpayments made, and may redeem dishonored checks and drafts
5 deposited to the credit of such municipalities. If any
6 municipality abolishes the tax, the municipality shall notify the
7 director of revenue of the action at least ninety days prior to
8 the effective date of the repeal and the director of revenue may
9 order retention in the trust fund, for a period of one year, of
10 two percent of the amount collected after receipt of such notice
11 to cover possible refunds or overpayment of the tax and to redeem
12 dishonored checks and drafts deposited to the credit of such
13 accounts. After one year has elapsed after the effective date of
14 abolition of the tax in such municipality, the director of
15 revenue shall remit the balance in the account to the
16 municipality and close the account of that municipality. The
17 director of revenue shall notify each municipality of each
18 instance of any amount refunded or any check redeemed from
19 receipts due the municipality.

20 10. In any legal action brought against a city challenging
21 such city's authority to impose and collect taxes authorized
22 under this section, the prevailing party shall be entitled to
23 reasonable attorneys' fees and costs of such action.

24 94.832. 1. The governing body of any city of the third
25 classification with more than four thousand seven hundred but
26 fewer than four thousand eight hundred inhabitants and located in
27 any county of the first classification with more than one hundred
28 eighty-four thousand but fewer than one hundred eighty-eight

1 thousand inhabitants may impose, by order or ordinance, a tax on
2 the charges for all sleeping rooms paid by the transient guests
3 of hotels or motels situated in the city or a portion thereof.
4 The tax shall be not more than one-half of one percent per
5 occupied room per night, and shall be imposed solely for the
6 purpose of funding tourism and infrastructure improvements. The
7 tax authorized in this section shall be in addition to the charge
8 for the sleeping room and all other taxes imposed by law, and
9 shall be stated separately from all other charges and taxes.

10 2. No such order or ordinance shall become effective unless
11 the governing body of the city submits to the voters of the city
12 at a state general, primary, or special election a proposal to
13 authorize the governing body of the city to impose a tax under
14 this section. If a majority of the votes cast on the question by
15 the qualified voters voting thereon are in favor of the question,
16 then the tax shall become effective on the first day of the
17 second calendar quarter following the calendar quarter in which
18 the election was held. If a majority of the votes cast on the
19 question by the qualified voters voting thereon are opposed to
20 the question, then the tax shall not become effective unless and
21 until the question is resubmitted under this section to the
22 qualified voters of the city and such question is approved by a
23 majority of the qualified voters voting on the question.

24 3. All revenue generated by the tax shall be collected by
25 the city collector of revenue, shall be deposited in a special
26 trust fund, and shall be used solely for the designated purposes.
27 If the tax is repealed, all funds remaining in the special trust
28 fund shall continue to be used solely for the designated

1 purposes. Any funds in the special trust fund that are not
2 needed for current expenditures may be invested by the governing
3 body in accordance with applicable laws relating to the
4 investment of other city funds. Any interest and moneys earned
5 on such investments shall be credited to the fund.

6 4. The governing body of any city that has adopted the tax
7 authorized in this section may submit the question of repeal of
8 the tax to the voters on any date available for elections for the
9 city. If a majority of the votes cast on the proposal are in
10 favor of the repeal, that repeal shall become effective on
11 December thirty-first of the calendar year in which such repeal
12 was approved. If a majority of the votes cast on the question by
13 the qualified voters voting thereon are opposed to the repeal,
14 then the tax authorized in this section shall remain effective
15 until the question is resubmitted under this section to the
16 qualified voters of the city, and the repeal is approved by a
17 majority of the qualified voters voting on the question.

18 5. Whenever the governing body of any city that has adopted
19 the tax authorized in this section receives a petition, signed by
20 a number of registered voters of the city equal to at least ten
21 percent of the number of registered voters of the city voting in
22 the last gubernatorial election, calling for an election to
23 repeal the tax imposed under this section, the governing body
24 shall submit to the voters of the city a proposal to repeal the
25 tax. If a majority of the votes cast on the question by the
26 qualified voters voting thereon are in favor of the repeal, that
27 repeal shall become effective on December thirty-first of the
28 calendar year in which such repeal was approved. If a majority

1 of the votes cast on the question by the qualified voters voting
2 thereon are opposed to the repeal, then the tax shall remain
3 effective until the question is resubmitted under this section to
4 the qualified voters of the city and the repeal is approved by a
5 majority of the qualified voters voting on the question.

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

9 144.019. 1. Notwithstanding any other provision of law to
10 the contrary, except as provided under subsections 2 or 3 of this
11 section, when a purchase of tangible personal property or service
12 subject to tax is made for the purpose of resale, such purchase
13 shall be either exempt or excluded under this chapter if the
14 subsequent sale is:

15 (1) Subject to a tax in this or any other state;

16 (2) For resale;

17 (3) Excluded from tax under this chapter;

18 (4) Subject to tax but exempt under this chapter; or

19 (5) Exempt from the sales tax laws of another state, if the
20 subsequent sale is in such other state.

21
22 The purchase of tangible personal property by a taxpayer shall
23 not be deemed to be for resale if such property is used or
24 consumed by the taxpayer in providing a service on which tax is
25 not imposed by subsection 1 of section 144.020, except purchases
26 made in fulfillment of any obligation under a defense contract
27 with the United States government.

28 2. For purposes of subdivision (2) of subsection 1 of

1 section 144.020, a place of amusement, entertainment, or
2 recreation, including games or athletic events, shall remit tax
3 on the amount paid for admissions or seating accommodations, or
4 fees paid to or in such place of amusement, entertainment, or
5 recreation. Any subsequent sale of such admissions or seating
6 accommodations shall not be subject to tax if the initial sale
7 was an arms length transaction for fair market value with an
8 unaffiliated entity. If the sale of such admissions or seating
9 accommodations is exempt or excluded from payment of sales and
10 use taxes, the provisions of this subsection shall not require
11 the place of amusement, entertainment, or recreation to remit tax
12 on that sale.

13 3. For purposes of subdivision (6) of subsection 1 of
14 section 144.020, a hotel, motel, tavern, inn, restaurant, eating
15 house, drugstore, dining car, tourist cabin, tourist camp, or
16 other place in which rooms, meals, or drinks are regularly served
17 to the public shall remit tax on the amount of sales or charges
18 for all rooms, meals, and drinks furnished at such hotel, motel,
19 tavern, inn, restaurant, eating house, drugstore, dining car,
20 tourist cabin, tourist camp, or other place in which rooms,
21 meals, or drinks are regularly served to the public. Any
22 subsequent sale of such rooms, meals, or drinks shall not be
23 subject to tax if the initial sale was an arms length transaction
24 for fair market value with an unaffiliated entity. If the sale
25 of such rooms, meals, or drinks is exempt or excluded from
26 payment of sales and use taxes, the provisions of this subsection
27 shall not require the hotel, motel, tavern, inn, restaurant,
28 eating house, drugstore, dining car, tourist cabin, tourist camp,

1 or other place in which rooms, meals, or drinks are regularly
2 served to the public to remit tax on that sale.

3 4. The provisions of this section are intended to reject
4 and abrogate earlier case law interpretations of the state's
5 sales and use tax law with regard to sales for resale as extended
6 in Music City Centre Management, LLC v. Director of Revenue, 295
7 S.W.3d 465 (Mo. 2009) and ICC Management, Inc. v. Director of
8 Revenue, 290 S.W.3d 699 (Mo. 2009).

9 144.030. 1. There is hereby specifically exempted from the
10 provisions of sections 144.010 to 144.525 and from the
11 computation of the tax levied, assessed or payable pursuant to
12 sections 144.010 to 144.525 such retail sales as may be made in
13 commerce between this state and any other state of the United
14 States, or between this state and any foreign country, and any
15 retail sale which the state of Missouri is prohibited from taxing
16 pursuant to the Constitution or laws of the United States of
17 America, and such retail sales of tangible personal property
18 which the general assembly of the state of Missouri is prohibited
19 from taxing or further taxing by the constitution of this state.

20 2. There are also specifically exempted from the provisions
21 of the local sales tax law as defined in section 32.085, RSMo,
22 section 238.235, RSMo, and sections 144.010 to 144.525 and
23 144.600 to 144.761 and from the computation of the tax levied,
24 assessed or payable pursuant to the local sales tax law as
25 defined in section 32.085, RSMo, section 238.235, RSMo, and
26 sections 144.010 to 144.525 and 144.600 to 144.745:

27 (1) Motor fuel or special fuel subject to an excise tax of
28 this state, unless all or part of such excise tax is refunded

1 pursuant to section 142.824, RSMo; or upon the sale at retail of
2 fuel to be consumed in manufacturing or creating gas, power,
3 steam, electrical current or in furnishing water to be sold
4 ultimately at retail; or feed for livestock or poultry; or grain
5 to be converted into foodstuffs which are to be sold ultimately
6 in processed form at retail; or seed, limestone or fertilizer
7 which is to be used for seeding, liming or fertilizing crops
8 which when harvested will be sold at retail or will be fed to
9 livestock or poultry to be sold ultimately in processed form at
10 retail; economic poisons registered pursuant to the provisions of
11 the Missouri pesticide registration law (sections 281.220 to
12 281.310, RSMo) which are to be used in connection with the growth
13 or production of crops, fruit trees or orchards applied before,
14 during, or after planting, the crop of which when harvested will
15 be sold at retail or will be converted into foodstuffs which are
16 to be sold ultimately in processed form at retail;

17 (2) Materials, manufactured goods, machinery and parts
18 which when used in manufacturing, processing, compounding,
19 mining, producing or fabricating become a component part or
20 ingredient of the new personal property resulting from such
21 manufacturing, processing, compounding, mining, producing or
22 fabricating and which new personal property is intended to be
23 sold ultimately for final use or consumption; and materials,
24 including without limitation, gases and manufactured goods,
25 including without limitation slagging materials and firebrick,
26 which are ultimately consumed in the manufacturing process by
27 blending, reacting or interacting with or by becoming, in whole
28 or in part, component parts or ingredients of steel products

1 intended to be sold ultimately for final use or consumption;

2 (3) Materials, replacement parts and equipment purchased
3 for use directly upon, and for the repair and maintenance or
4 manufacture of, motor vehicles, watercraft, railroad rolling
5 stock or aircraft engaged as common carriers of persons or
6 property;

7 (4) Replacement machinery, equipment, and parts and the
8 materials and supplies solely required for the installation or
9 construction of such replacement machinery, equipment, and parts,
10 used directly in manufacturing, mining, fabricating or producing
11 a product which is intended to be sold ultimately for final use
12 or consumption; and machinery and equipment, and the materials
13 and supplies required solely for the operation, installation or
14 construction of such machinery and equipment, purchased and used
15 to establish new, or to replace or expand existing, material
16 recovery processing plants in this state. For the purposes of
17 this subdivision, a "material recovery processing plant" means a
18 facility that has as its primary purpose the recovery of
19 materials into a useable product or a different form which is
20 used in producing a new product and shall include a facility or
21 equipment which are used exclusively for the collection of
22 recovered materials for delivery to a material recovery
23 processing plant but shall not include motor vehicles used on
24 highways. For purposes of this section, the terms motor vehicle
25 and highway shall have the same meaning pursuant to section
26 301.010, RSMo. Material recovery is not the reuse of materials
27 within a manufacturing process or the use of a product previously
28 recovered. The material recovery processing plant shall qualify

1 under the provisions of this section regardless of ownership of
2 the material being recovered;

3 (5) Machinery and equipment, and parts and the materials
4 and supplies solely required for the installation or construction
5 of such machinery and equipment, purchased and used to establish
6 new or to expand existing manufacturing, mining or fabricating
7 plants in the state if such machinery and equipment is used
8 directly in manufacturing, mining or fabricating a product which
9 is intended to be sold ultimately for final use or consumption;

10 (6) Tangible personal property which is used exclusively in
11 the manufacturing, processing, modification or assembling of
12 products sold to the United States government or to any agency of
13 the United States government;

14 (7) Animals or poultry used for breeding or feeding
15 purposes;

16 (8) Newsprint, ink, computers, photosensitive paper and
17 film, toner, printing plates and other machinery, equipment,
18 replacement parts and supplies used in producing newspapers
19 published for dissemination of news to the general public;

20 (9) The rentals of films, records or any type of sound or
21 picture transcriptions for public commercial display;

22 (10) Pumping machinery and equipment used to propel
23 products delivered by pipelines engaged as common carriers;

24 (11) Railroad rolling stock for use in transporting persons
25 or property in interstate commerce and motor vehicles licensed
26 for a gross weight of twenty-four thousand pounds or more or
27 trailers used by common carriers, as defined in section 390.020,
28 RSMo, in the transportation of persons or property;

1 (12) Electrical energy used in the actual primary
2 manufacture, processing, compounding, mining or producing of a
3 product, or electrical energy used in the actual secondary
4 processing or fabricating of the product, or a material recovery
5 processing plant as defined in subdivision (4) of this
6 subsection, in facilities owned or leased by the taxpayer, if the
7 total cost of electrical energy so used exceeds ten percent of
8 the total cost of production, either primary or secondary,
9 exclusive of the cost of electrical energy so used or if the raw
10 materials used in such processing contain at least twenty-five
11 percent recovered materials as defined in section 260.200, RSMo.
12 There shall be a rebuttable presumption that the raw materials
13 used in the primary manufacture of automobiles contain at least
14 twenty-five percent recovered materials. For purposes of this
15 subdivision, "processing" means any mode of treatment, act or
16 series of acts performed upon materials to transform and reduce
17 them to a different state or thing, including treatment necessary
18 to maintain or preserve such processing by the producer at the
19 production facility;

20 (13) Anodes which are used or consumed in manufacturing,
21 processing, compounding, mining, producing or fabricating and
22 which have a useful life of less than one year;

23 (14) Machinery, equipment, appliances and devices purchased
24 or leased and used solely for the purpose of preventing, abating
25 or monitoring air pollution, and materials and supplies solely
26 required for the installation, construction or reconstruction of
27 such machinery, equipment, appliances and devices;

28 (15) Machinery, equipment, appliances and devices purchased

1 or leased and used solely for the purpose of preventing, abating
2 or monitoring water pollution, and materials and supplies solely
3 required for the installation, construction or reconstruction of
4 such machinery, equipment, appliances and devices;

5 (16) Tangible personal property purchased by a rural water
6 district;

7 (17) All amounts paid or charged for admission or
8 participation or other fees paid by or other charges to
9 individuals in or for any place of amusement, entertainment or
10 recreation, games or athletic events, including museums, fairs,
11 zoos and planetariums, owned or operated by a municipality or
12 other political subdivision where all the proceeds derived
13 therefrom benefit the municipality or other political subdivision
14 and do not inure to any private person, firm, or corporation;

15 (18) All sales of insulin and prosthetic or orthopedic
16 devices as defined on January 1, 1980, by the federal Medicare
17 program pursuant to Title XVIII of the Social Security Act of
18 1965, including the items specified in Section 1862(a)(12) of
19 that act, and also specifically including hearing aids and
20 hearing aid supplies and all sales of drugs which may be legally
21 dispensed by a licensed pharmacist only upon a lawful
22 prescription of a practitioner licensed to administer those
23 items, including samples and materials used to manufacture
24 samples which may be dispensed by a practitioner authorized to
25 dispense such samples and all sales of medical oxygen, home
26 respiratory equipment and accessories, hospital beds and
27 accessories and ambulatory aids, all sales of manual and powered
28 wheelchairs, stairway lifts, Braille writers, electronic Braille

1 equipment and, if purchased by or on behalf of a person with one
2 or more physical or mental disabilities to enable them to
3 function more independently, all sales of scooters, reading
4 machines, electronic print enlargers and magnifiers, electronic
5 alternative and augmentative communication devices, and items
6 used solely to modify motor vehicles to permit the use of such
7 motor vehicles by individuals with disabilities or sales of
8 over-the-counter or nonprescription drugs to individuals with
9 disabilities;

10 (19) All sales made by or to religious and charitable
11 organizations and institutions in their religious, charitable or
12 educational functions and activities and all sales made by or to
13 all elementary and secondary schools operated at public expense
14 in their educational functions and activities;

15 (20) All sales of aircraft to common carriers for storage
16 or for use in interstate commerce and all sales made by or to
17 not-for-profit civic, social, service or fraternal organizations,
18 including fraternal organizations which have been declared
19 tax-exempt organizations pursuant to Section 501(c)(8) or (10) of
20 the 1986 Internal Revenue Code, as amended, in their civic or
21 charitable functions and activities and all sales made to
22 eleemosynary and penal institutions and industries of the state,
23 and all sales made to any private not-for-profit institution of
24 higher education not otherwise excluded pursuant to subdivision
25 (19) of this subsection or any institution of higher education
26 supported by public funds, and all sales made to a state relief
27 agency in the exercise of relief functions and activities;

28 (21) All ticket sales made by benevolent, scientific and

1 educational associations which are formed to foster, encourage,
2 and promote progress and improvement in the science of
3 agriculture and in the raising and breeding of animals, and by
4 nonprofit summer theater organizations if such organizations are
5 exempt from federal tax pursuant to the provisions of the
6 Internal Revenue Code and all admission charges and entry fees to
7 the Missouri state fair or any fair conducted by a county
8 agricultural and mechanical society organized and operated
9 pursuant to sections 262.290 to 262.530, RSMo;

10 (22) All sales made to any private not-for-profit
11 elementary or secondary school, all sales of feed additives,
12 medications or vaccines administered to livestock or poultry in
13 the production of food or fiber, all sales of pesticides used in
14 the production of crops, livestock or poultry for food or fiber,
15 all sales of bedding used in the production of livestock or
16 poultry for food or fiber, all sales of propane or natural gas,
17 electricity or diesel fuel used exclusively for drying
18 agricultural crops, natural gas used in the primary manufacture
19 or processing of fuel ethanol as defined in section 142.028,
20 RSMo, natural gas, propane, and electricity used by an eligible
21 new generation cooperative or an eligible new generation
22 processing entity as defined in section 348.432, RSMo, and all
23 sales of farm machinery and equipment, other than airplanes,
24 motor vehicles and trailers. As used in this subdivision, the
25 term "feed additives" means tangible personal property which,
26 when mixed with feed for livestock or poultry, is to be used in
27 the feeding of livestock or poultry. As used in this
28 subdivision, the term "pesticides" includes adjuvants such as

1 crop oils, surfactants, wetting agents and other assorted
2 pesticide carriers used to improve or enhance the effect of a
3 pesticide and the foam used to mark the application of pesticides
4 and herbicides for the production of crops, livestock or poultry.
5 As used in this subdivision, the term "farm machinery and
6 equipment" means new or used farm tractors and such other new or
7 used farm machinery and equipment and repair or replacement parts
8 thereon, and supplies and lubricants used exclusively, solely,
9 and directly for producing crops, raising and feeding livestock,
10 fish, poultry, pheasants, chukar, quail, or for producing milk
11 for ultimate sale at retail, including field drain tile, and
12 one-half of each purchaser's purchase of diesel fuel therefor
13 which is:

14 (a) Used exclusively for agricultural purposes;

15 (b) Used on land owned or leased for the purpose of
16 producing farm products; and

17 (c) Used directly in producing farm products to be sold
18 ultimately in processed form or otherwise at retail or in
19 producing farm products to be fed to livestock or poultry to be
20 sold ultimately in processed form at retail;

21 (23) Except as otherwise provided in section 144.032, all
22 sales of metered water service, electricity, electrical current,
23 natural, artificial or propane gas, wood, coal or home heating
24 oil for domestic use and in any city not within a county, all
25 sales of metered or unmetered water service for domestic use:

26 (a) "Domestic use" means that portion of metered water
27 service, electricity, electrical current, natural, artificial or
28 propane gas, wood, coal or home heating oil, and in any city not

1 within a county, metered or unmetered water service, which an
2 individual occupant of a residential premises uses for
3 nonbusiness, noncommercial or nonindustrial purposes. Utility
4 service through a single or master meter for residential
5 apartments or condominiums, including service for common areas
6 and facilities and vacant units, shall be deemed to be for
7 domestic use. Each seller shall establish and maintain a system
8 whereby individual purchases are determined as exempt or
9 nonexempt;

10 (b) Regulated utility sellers shall determine whether
11 individual purchases are exempt or nonexempt based upon the
12 seller's utility service rate classifications as contained in
13 tariffs on file with and approved by the Missouri public service
14 commission. Sales and purchases made pursuant to the rate
15 classification "residential" and sales to and purchases made by
16 or on behalf of the occupants of residential apartments or
17 condominiums through a single or master meter, including service
18 for common areas and facilities and vacant units, shall be
19 considered as sales made for domestic use and such sales shall be
20 exempt from sales tax. Sellers shall charge sales tax upon the
21 entire amount of purchases classified as nondomestic use. The
22 seller's utility service rate classification and the provision of
23 service thereunder shall be conclusive as to whether or not the
24 utility must charge sales tax;

25 (c) Each person making domestic use purchases of services
26 or property and who uses any portion of the services or property
27 so purchased for a nondomestic use shall, by the fifteenth day of
28 the fourth month following the year of purchase, and without

1 assessment, notice or demand, file a return and pay sales tax on
2 that portion of nondomestic purchases. Each person making
3 nondomestic purchases of services or property and who uses any
4 portion of the services or property so purchased for domestic
5 use, and each person making domestic purchases on behalf of
6 occupants of residential apartments or condominiums through a
7 single or master meter, including service for common areas and
8 facilities and vacant units, under a nonresidential utility
9 service rate classification may, between the first day of the
10 first month and the fifteenth day of the fourth month following
11 the year of purchase, apply for credit or refund to the director
12 of revenue and the director shall give credit or make refund for
13 taxes paid on the domestic use portion of the purchase. The
14 person making such purchases on behalf of occupants of
15 residential apartments or condominiums shall have standing to
16 apply to the director of revenue for such credit or refund;

17 (24) All sales of handicraft items made by the seller or
18 the seller's spouse if the seller or the seller's spouse is at
19 least sixty-five years of age, and if the total gross proceeds
20 from such sales do not constitute a majority of the annual gross
21 income of the seller;

22 (25) Excise taxes, collected on sales at retail, imposed by
23 Sections 4041, 4061, 4071, 4081, 4091, 4161, 4181, 4251, 4261 and
24 4271 of Title 26, United States Code. The director of revenue
25 shall promulgate rules pursuant to chapter 536, RSMo, to
26 eliminate all state and local sales taxes on such excise taxes;

27 (26) Sales of fuel consumed or used in the operation of
28 ships, barges, or waterborne vessels which are used primarily in

1 or for the transportation of property or cargo, or the conveyance
2 of persons for hire, on navigable rivers bordering on or located
3 in part in this state, if such fuel is delivered by the seller to
4 the purchaser's barge, ship, or waterborne vessel while it is
5 afloat upon such river;

6 (27) All sales made to an interstate compact agency created
7 pursuant to sections 70.370 to 70.441, RSMo, or sections 238.010
8 to 238.100, RSMo, in the exercise of the functions and activities
9 of such agency as provided pursuant to the compact;

10 (28) Computers, computer software and computer security
11 systems purchased for use by architectural or engineering firms
12 headquartered in this state. For the purposes of this
13 subdivision, "headquartered in this state" means the office for
14 the administrative management of at least four integrated
15 facilities operated by the taxpayer is located in the state of
16 Missouri;

17 (29) All livestock sales when either the seller is engaged
18 in the growing, producing or feeding of such livestock, or the
19 seller is engaged in the business of buying and selling,
20 bartering or leasing of such livestock;

21 (30) All sales of barges which are to be used primarily in
22 the transportation of property or cargo on interstate waterways;

23 (31) Electrical energy or gas, whether natural, artificial
24 or propane, water, or other utilities which are ultimately
25 consumed in connection with the manufacturing of cellular glass
26 products or in any material recovery processing plant as defined
27 in subdivision (4) of this subsection;

28 (32) Notwithstanding other provisions of law to the

1 contrary, all sales of pesticides or herbicides used in the
2 production of crops, aquaculture, livestock or poultry;

3 (33) Tangible personal property and utilities purchased for
4 use or consumption directly or exclusively in the research and
5 development of agricultural/biotechnology and plant genomics
6 products and prescription pharmaceuticals consumed by humans or
7 animals;

8 (34) All sales of grain bins for storage of grain for
9 resale;

10 (35) All sales of feed which are developed for and used in
11 the feeding of pets owned by a commercial breeder when such sales
12 are made to a commercial breeder, as defined in section 273.325,
13 RSMo, and licensed pursuant to sections 273.325 to 273.357, RSMo;

14 (36) All purchases by a contractor on behalf of an entity
15 located in another state, provided that the entity is authorized
16 to issue a certificate of exemption for purchases to a contractor
17 under the provisions of that state's laws. For purposes of this
18 subdivision, the term "certificate of exemption" shall mean any
19 document evidencing that the entity is exempt from sales and use
20 taxes on purchases pursuant to the laws of the state in which the
21 entity is located. Any contractor making purchases on behalf of
22 such entity shall maintain a copy of the entity's exemption
23 certificate as evidence of the exemption. If the exemption
24 certificate issued by the exempt entity to the contractor is
25 later determined by the director of revenue to be invalid for any
26 reason and the contractor has accepted the certificate in good
27 faith, neither the contractor or the exempt entity shall be
28 liable for the payment of any taxes, interest and penalty due as

1 the result of use of the invalid exemption certificate.
2 Materials shall be exempt from all state and local sales and use
3 taxes when purchased by a contractor for the purpose of
4 fabricating tangible personal property which is used in
5 fulfilling a contract for the purpose of constructing, repairing
6 or remodeling facilities for the following:

7 (a) An exempt entity located in this state, if the entity
8 is one of those entities able to issue project exemption
9 certificates in accordance with the provisions of section
10 144.062; or

11 (b) An exempt entity located outside the state if the
12 exempt entity is authorized to issue an exemption certificate to
13 contractors in accordance with the provisions of that state's law
14 and the applicable provisions of this section;

15 (37) All sales or other transfers of tangible personal
16 property to a lessor who leases the property under a lease of one
17 year or longer executed or in effect at the time of the sale or
18 other transfer to an interstate compact agency created pursuant
19 to sections 70.370 to 70.441, RSMo, or sections 238.010 to
20 238.100, RSMo;

21 (38) Sales of tickets to any collegiate athletic
22 championship event that is held in a facility owned or operated
23 by a governmental authority or commission, a quasi-governmental
24 agency, a state university or college or by the state or any
25 political subdivision thereof, including a municipality, and that
26 is played on a neutral site and may reasonably be played at a
27 site located outside the state of Missouri. For purposes of this
28 subdivision, "neutral site" means any site that is not located on

1 the campus of a conference member institution participating in
2 the event;

3 (39) All purchases by a sports complex authority created
4 under section 64.920, [RSMo] and all sales of utilities by such
5 authority at the authority's cost that are consumed in connection
6 with the operation of a sports complex leased to a professional
7 sports team;

8 (40) Beginning January 1, 2009, but not after January 1,
9 2015, materials, replacement parts, and equipment purchased for
10 use directly upon, and for the modification, replacement, repair,
11 and maintenance of aircraft, aircraft power plants, and aircraft
12 accessories.

13 Section 1. Notwithstanding any other provisions of law to
14 the contrary, any tax imposed or collected by this state, any
15 municipality, any county or any taxing entity on or related to
16 any transient accommodations, whether imposed as a sales tax,
17 hotel tax, occupancy tax, or otherwise, shall be imposed only
18 upon the amount actually received by an operator. For purposes
19 of this section, an "operator" shall mean a person or entity that
20 has primary responsibility for the operation of any hotel, motel,
21 tavern, inn, tourist camp, tourist cabin, or other place in which
22 rooms are regularly furnished to the public. This section shall
23 not apply if the purchaser of such rooms is an entity which is
24 exempt from payment of such tax.

25 Section B. Because of the need to ensure the proper
26 application of state sales and use taxes to sales for resale, the
27 enactment of section 144.019 of this act is deemed necessary for
28 the immediate preservation of the public health, welfare, peace

1 and safety, and is hereby declared to be an emergency act within
2 the meaning of the constitution, and the enactment of section
3 144.019 of this act shall be in full force and effect upon its
4 passage and approval.

5