

FIRST REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NOS. 470 & 429**  
**96TH GENERAL ASSEMBLY**

0869L.02C

D. ADAM CRUMBLISS, Chief Clerk

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**AN ACT**

To repeal sections 67.641 and 143.183, RSMo, and to enact in lieu thereof two new sections relating to the nonresident entertainers tax.

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

Section A. Sections 67.641 and 143.183, RSMo, are repealed and two new sections  
2 enacted in lieu thereof, to be known as sections 67.641 and 143.183, to read as follows:

67.641. 1. The general assembly may annually appropriate up to three million dollars  
2 from the state general revenue fund to each convention and sports complex fund created pursuant  
3 to section 67.639, provided that for an existing sports facility located in a first class county with  
4 a charter form of government which contains part of a city having a population of three hundred  
5 fifty thousand inhabitants or more or any city with a population greater than three hundred fifty  
6 thousand, located in more than one county, such county or city has entered into a contract or  
7 lease with a professional sports team affiliated with or franchised by the National Football  
8 League, the National Basketball Association, the National Hockey League, or the American  
9 League or the National League of Major League Baseball. No moneys shall be transferred  
10 pursuant to this section to the benefit of a sports complex for a county in any year unless each  
11 professional sports team which leases playing facilities within the county continue to lease the  
12 same playing facilities which were leased on August 28, 1989. Each convention and sports  
13 complex fund shall be administered by the county or city and used to carry out the provisions of  
14 sections 67.638 to 67.645.

15 2. Each city or county which has a convention and sports complex fund established  
16 pursuant to the laws of this state which administers a convention and sports complex fund, prior  
17 to receipt of any appropriations pursuant to this section shall enact or promulgate ordinances, or  
18 rules and regulations which provide, pursuant to the terms and provisions of section 70.859, for

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

19 the purchase of goods and services and for construction of capital improvements for the sports  
20 complex. In no event shall more than three million dollars be transferred from the state to any  
21 one such convention and sports complex fund in any fiscal year pursuant to this section, and in  
22 no event shall any moneys be transferred from the state to any convention and sports complex  
23 fund for the planning, development, construction, maintenance or operation of any facility after  
24 June 30, 1999. Only one such transfer of state funds shall be made to any convention and sports  
25 complex fund after June 30, 1997, provided that any convention and sports complex fund which  
26 was appropriated state moneys prior to July 1, 1997, for the construction, maintenance or  
27 operation of a facility shall continue to receive state moneys, subject to appropriation.

28 3. This section shall not become effective unless and until the applicable county or the  
29 applicable city which has created a convention and sports complex fund has commenced paying  
30 into the convention and sports complex fund amounts at a rate sufficient for the county or city  
31 to contribute the sum of three million dollars per calendar year, except that this section shall  
32 become effective with respect to any first class county not having a charter form of government  
33 on August 28, 1989, and with respect to any charter city located in a first class county not having  
34 a charter form of government at the time at which such county or city has commenced paying  
35 any moneys into its convention and sports complex fund. The appropriations made pursuant to  
36 subsection 1 of this section to any convention and sports complex fund shall not exceed the  
37 amounts contributed by the county or city to the fund. The county or city's proportional amount  
38 specified in this section may come from any source. Once the county or city has commenced  
39 paying such appropriate proportional amounts into its convention and sports complex fund, the  
40 county or city shall so notify the state treasurer and the director of revenue and, thereafter,  
41 subject to annual appropriation, transfers shall commence and continue each month pursuant to  
42 this section [until such monthly transfers are made for thirty years] **for so long as the contract**  
43 **or lease referred to in subsection 1 of this section is in effect.** Moneys appropriated from  
44 general revenue shall not be expended until such first class charter county or a city located in  
45 such first class charter county has paid three million dollars into its fund, or until such first class  
46 county not having a charter form of government or until such charter city within a first class  
47 county not having a charter form of government has commenced payment of moneys into its  
48 fund.

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

2 (1) "Nonresident entertainer", a person residing or registered as a corporation outside this  
3 state who, for compensation, performs any vocal, instrumental, musical, comedy, dramatic,  
4 dance or other performance in this state before a live audience and any other person traveling  
5 with and performing services on behalf of a nonresident entertainer, including a nonresident  
6 entertainer who is paid compensation for providing entertainment as an independent contractor,

7 a partnership that is paid compensation for entertainment provided by nonresident entertainers,  
8 a corporation that is paid compensation for entertainment provided by nonresident entertainers,  
9 or any other entity that is paid compensation for entertainment provided by nonresident  
10 entertainers;

11 (2) "Nonresident member of a professional athletic team", a professional athletic team  
12 member who resides outside this state, including any active player, any player on the disabled  
13 list if such player is in uniform on the day of the game at the site of the game, and any other  
14 person traveling with and performing services on behalf of a professional athletic team;

15 (3) "Personal service income" includes exhibition and regular season salaries and wages,  
16 guaranteed payments, strike benefits, deferred payments, severance pay, bonuses, and any other  
17 type of compensation paid to the nonresident entertainer or nonresident member of a professional  
18 athletic team, but does not include prizes, bonuses or incentive money received from competition  
19 in a livestock, equine or rodeo performance, exhibition or show;

20 (4) "Professional athletic team" includes, but is not limited to, any professional baseball,  
21 basketball, football, soccer and hockey team.

22 2. Any person, venue, or entity who pays compensation to a nonresident entertainer shall  
23 deduct and withhold from such compensation as a prepayment of tax an amount equal to two  
24 percent of the total compensation if the amount of compensation is in excess of three hundred  
25 dollars paid to the nonresident entertainer. **For purposes of this section, the term "person,  
26 venue, or entity who pays compensation" shall not be construed to include any person,  
27 venue, or entity that is exempt from taxation under 26 U.S.C. Section 501(c)(3), as  
28 amended, and that pays an amount to the nonresident entertainer for the entertainer's  
29 appearance but receives no benefit from the entertainer's appearance other than the  
30 entertainer's performance.**

31 3. Any person, venue, or entity required to deduct and withhold tax pursuant to  
32 subsection 2 of this section shall, for each calendar quarter, on or before the last day of the month  
33 following the close of such calendar quarter, remit the taxes withheld in such form or return as  
34 prescribed by the director of revenue and pay over to the director of revenue or to a depository  
35 designated by the director of revenue the taxes so required to be deducted and withheld.

36 4. Any person, venue, or entity subject to this section shall be considered an employer  
37 for purposes of section 143.191, and shall be subject to all penalties, interest, and additions to  
38 tax provided in this chapter for failure to comply with this section.

39 5. [Notwithstanding other provisions of this chapter to the contrary, the commissioner  
40 of administration, for all taxable years beginning on or after January 1, 1999, but none after  
41 December 31, 2015, shall annually estimate the amount of state income tax revenues collected  
42 pursuant to this chapter which are received from nonresident members of professional athletic

43 teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal year for  
44 a period of sixteen years, sixty percent of the annual estimate of taxes generated from the  
45 nonresident entertainer and professional athletic team income tax shall be allocated annually to  
46 the Missouri arts council trust fund, and shall be transferred from the general revenue fund to the  
47 Missouri arts council trust fund established in section 185.100 and any amount transferred shall  
48 be in addition to such agency's budget base for each fiscal year. The director shall by rule  
49 establish the method of determining the portion of personal service income of such persons that  
50 is allocable to Missouri.

51         6. Notwithstanding the provisions of sections 186.050 to 186.067 to the contrary, the  
52 commissioner of administration, for all taxable years beginning on or after January 1, 1999, but  
53 for none after December 31, 2015, shall estimate annually the amount of state income tax  
54 revenues collected pursuant to this chapter which are received from nonresident members of  
55 professional athletic teams and nonresident entertainers. For fiscal year 2000, and for each  
56 subsequent fiscal year for a period of sixteen years, ten percent of the annual estimate of taxes  
57 generated from the nonresident entertainer and professional athletic team income tax shall be  
58 allocated annually to the Missouri humanities council trust fund, and shall be transferred from  
59 the general revenue fund to the Missouri humanities council trust fund established in section  
60 186.055 and any amount transferred shall be in addition to such agency's budget base for each  
61 fiscal year.

62         7. Notwithstanding other provisions of section 182.812 to the contrary, the commissioner  
63 of administration, for all taxable years beginning on or after January 1, 1999, but for none after  
64 December 31, 2015, shall estimate annually the amount of state income tax revenues collected  
65 pursuant to this chapter which are received from nonresident members of professional athletic  
66 teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal year for  
67 a period of sixteen years, ten percent of the annual estimate of taxes generated from the  
68 nonresident entertainer and professional athletic team income tax shall be allocated annually to  
69 the Missouri state library networking fund, and shall be transferred from the general revenue  
70 fund to the secretary of state for distribution to public libraries for acquisition of library materials  
71 as established in section 182.812 and any amount transferred shall be in addition to such agency's  
72 budget base for each fiscal year.

73         8. Notwithstanding other provisions of section 185.200 to the contrary, the commissioner  
74 of administration, for all taxable years beginning on or after January 1, 1999, but for none after  
75 December 31, 2015, shall estimate annually the amount of state income tax revenues collected  
76 pursuant to this chapter which are received from nonresident members of professional athletic  
77 teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal year for  
78 a period of sixteen years, ten percent of the annual estimate of taxes generated from the

79 nonresident entertainer and professional athletic team income tax shall be allocated annually to  
80 the Missouri public television broadcasting corporation special fund, and shall be transferred  
81 from the general revenue fund to the Missouri public television broadcasting corporation special  
82 fund, and any amount transferred shall be in addition to such agency's budget base for each fiscal  
83 year; provided, however, that] **(1) Notwithstanding any other provision of this chapter,**  
84 **section 182.812, section 185.200, sections 186.050 to 186.067, or section 253.402 to the**  
85 **contrary, for all taxable years ending on or before December 31, 2011, the commissioner**  
86 **of administration shall annually estimate the amount of state income tax revenues collected**  
87 **under this chapter which are received from nonresident members of professional athletic**  
88 **teams and nonresident entertainers. For each fiscal year ending on or before June 30,**  
89 **2012, the annual estimate of taxes generated from the nonresident entertainer and**  
90 **professional athletic team income tax shall be allocated annually in the following**  
91 **percentages:**

92       (a) **To the Missouri arts council trust fund established in section 185.100, sixty**  
93 **percent;**

94       (b) **To the Missouri humanities council trust fund established in section 186.055,**  
95 **ten percent;**

96       (c) **To the Missouri state library networking fund for the secretary of state to**  
97 **distribute to public libraries for acquisition of library materials as established in section**  
98 **182.812, ten percent;**

99       (d) **To the Missouri public television broadcasting corporation special fund, ten**  
100 **percent;**

101       (e) **To the Missouri department of natural resources Missouri historic preservation**  
102 **revolving fund established in section 253.402, ten percent.**

103       **(2) The percentages listed in subdivision (1) of this subsection shall be transferred**  
104 **from the general revenue fund to each fund listed in subdivision (1) of this subsection, and**  
105 **any amount transferred shall be in addition to each agency's budget base for each fiscal**  
106 **year. For the amounts allocated to the Missouri public television broadcasting**  
107 **corporation, twenty-five percent of such allocation shall be used for grants to public radio**  
108 **stations which were qualified by the corporation for public broadcasting as of November 1, 1996.**  
109 **Such grants shall be distributed to each of such public radio stations in this state after receipt of**  
110 **the station's certification of operating and programming expenses for the prior fiscal year.**  
111 **Certification shall consist of the most recent fiscal year financial statement submitted by a station**  
112 **to the corporation for public broadcasting. The grants shall be divided into two categories, an**  
113 **annual basic service grant and an operating grant. The basic service grant shall be equal to**  
114 **thirty-five percent of the total amount and shall be divided equally among the public radio**

115 stations receiving grants. The remaining amount shall be distributed as an operating grant to the  
116 stations on the basis of the proportion that the total operating expenses of the individual station  
117 in the prior fiscal year bears to the aggregate total of operating expenses for the same fiscal year  
118 for all Missouri public radio stations which are receiving grants.

119 **6. (1) Notwithstanding any other provision of this chapter, section 182.812, section**  
120 **185.200, sections 186.050 to 186.067, or section 253.402 to the contrary, for all taxable years**  
121 **beginning on or after January 1, 2012, the commissioner of administration shall annually**  
122 **estimate the amount of state income tax revenues collected under this chapter which are**  
123 **received from nonresident members of professional athletic teams and nonresident**  
124 **entertainers. For each fiscal year beginning on or after July 1, 2012, the annual estimate**  
125 **of taxes generated from the nonresident entertainer and professional athletic team income**  
126 **tax shall be allocated annually in the following percentages:**

127 (a) To the regional convention and visitors commission established under sections  
128 67.601 to 67.626, twenty-five percent;

129 (b) To the convention and sports complex fund established in sections 67.638 to  
130 67.645, twenty-five percent;

131 (c) To Lincoln University and Harris-Stowe State University, to be allocated based  
132 on the student enrollment in each university and to be used solely for youth sport safety  
133 in each university's athletic facility, including physical safety and therapy, five percent;

134 (d) To the Missouri arts council trust fund established in section 185.100, thirty  
135 percent;

136 (e) To the Missouri humanities council trust fund established in section 186.055,  
137 five percent;

138 (f) To the Missouri state library networking fund for the secretary of state to  
139 distribute to public libraries for acquisition of library materials as established in section  
140 182.812, five percent;

141 (g) To the Missouri public television broadcasting corporation special fund, five  
142 percent.

143 (2) The percentages listed in subdivision (1) of this subsection shall be transferred  
144 from the general revenue fund to each fund and university listed in subdivision (1) of this  
145 subsection, and any amount transferred shall be in addition to each agency's budget base  
146 for each fiscal year.

147 7. The director shall by rule establish the method of determining the portion of  
148 personal service income of such persons that is allocable to Missouri.

149 8. This section shall not be construed to apply to any person who makes a  
150 presentation for professional or technical educational purposes or to apply to any

151 **presentation that is part of a seminar, conference, convention, school, or similar program**  
152 **format designed to provide professional or technical education.**

153 [9. Notwithstanding other provisions of section 253.402 to the contrary, the  
154 commissioner of administration, for all taxable years beginning on or after January 1, 1999, but  
155 for none after December 31, 2015, shall estimate annually the amount of state income tax  
156 revenues collected pursuant to this chapter which are received from nonresident members of  
157 professional athletic teams and nonresident entertainers. For fiscal year 2000, and for each  
158 subsequent fiscal year for a period of sixteen years, ten percent of the annual estimate of taxes  
159 generated from the nonresident entertainer and professional athletic team income tax shall be  
160 allocated annually to the Missouri department of natural resources Missouri historic preservation  
161 revolving fund, and shall be transferred from the general revenue fund to the Missouri  
162 department of natural resources Missouri historic preservation revolving fund established in  
163 section 253.402 and any amount transferred shall be in addition to such agency's budget base for  
164 each fiscal year. As authorized pursuant to subsection 2 of section 30.953, it is the intention and  
165 desire of the general assembly that the state treasurer convey, to the Missouri investment trust  
166 on January 1, 1999, up to one hundred percent of the balances of the Missouri arts council trust  
167 fund established pursuant to section 185.100 and the Missouri humanities council trust fund  
168 established pursuant to section 186.055. The funds shall be reconveyed to the state treasurer by  
169 the investment trust as follows: the Missouri arts council trust fund, no earlier than January 2,  
170 2009; and the Missouri humanities council trust fund, no earlier than January 2, 2009.]