

FIRST REGULAR SESSION

# HOUSE BILL NO. 316

96TH GENERAL ASSEMBLY

---

INTRODUCED BY REPRESENTATIVE KELLY (24).

1149L.011

D. ADAM CRUMBLISS, Chief Clerk

---

## AN ACT

To repeal sections 32.028, 32.087, 105.716, 144.083, and 168.071, RSMo, and to enact in lieu thereof fifteen new sections relating to collection of state money, with a penalty provision.

---

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

Section A. Sections 32.028, 32.087, 105.716, 144.083, and 168.071, RSMo, are repealed  
2 and fifteen sections enacted in lieu thereof, to be known as sections 32.028, 32.087, 32.088,  
3 32.380, 32.400, 32.410, 32.420, 32.430, 32.440, 32.450, 32.460, 105.716, 140.910, 144.083, and  
4 168.071, to read as follows:

32.028. 1. There is hereby created a department of revenue in charge of a director  
2 appointed by the governor, by and with the advice and consent of the senate. The department  
3 shall collect all taxes and fees **and may collect, upon referral by a state agency, debts owed**  
4 **to any state agency**, payable to the state as provided by law.

5 2. The powers, duties and functions of the department of revenue, chapter 32 and others,  
6 are transferred by type I transfer to the department of revenue. All powers, duties and function  
7 of the collector of revenue are transferred to the director of the department by type I transfer and  
8 the position of collector of revenue is abolished.

9 3. The powers, duties and functions of the state tax commission, chapter 138 and others,  
10 are transferred by type III transfer to the department of revenue.

11 4. All of the powers, duties and functions of the state tax commission relating to  
12 administration of the corporation franchise tax, chapter 152, and others, are transferred by type  
13 I transfer to the department of revenue; provided, however, that the provision of section 138.430  
14 relating to appeals from decisions of the director of revenue shall apply to these taxes.

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.

15           5. All the powers, duties and functions of the highway reciprocity commission, chapter  
16 301, are transferred by type II transfer to the department of revenue.

32.087. 1. Within ten days after the adoption of any ordinance or order in favor of  
2 adoption of any local sales tax authorized under the local sales tax law by the voters of a taxing  
3 entity, the governing body or official of such taxing entity shall forward to the director of revenue  
4 by United States registered mail or certified mail a certified copy of the ordinance or order. The  
5 ordinance or order shall reflect the effective date thereof.

6           2. Any local sales tax so adopted shall become effective on the first day of the second  
7 calendar quarter after the director of revenue receives notice of adoption of the local sales tax,  
8 except as provided in subsection 18 of this section.

9           3. Every retailer within the jurisdiction of one or more taxing entities which has imposed  
10 one or more local sales taxes under the local sales tax law shall add all taxes so imposed along  
11 with the tax imposed by the sales tax law of the state of Missouri to the sale price and, when  
12 added, the combined tax shall constitute a part of the price, and shall be a debt of the purchaser  
13 to the retailer until paid, and shall be recoverable at law in the same manner as the purchase  
14 price. The combined rate of the state sales tax and all local sales taxes shall be the sum of the  
15 rates, multiplying the combined rate times the amount of the sale.

16           4. The brackets required to be established by the director of revenue under the provisions  
17 of section 144.285 shall be based upon the sum of the combined rate of the state sales tax and  
18 all local sales taxes imposed under the provisions of the local sales tax law.

19           5. The ordinance or order imposing a local sales tax under the local sales tax law shall  
20 impose upon all sellers a tax for the privilege of engaging in the business of selling tangible  
21 personal property or rendering taxable services at retail to the extent and in the manner provided  
22 in sections 144.010 to 144.525, and the rules and regulations of the director of revenue issued  
23 pursuant thereto; except that the rate of the tax shall be the sum of the combined rate of the state  
24 sales tax or state highway use tax and all local sales taxes imposed under the provisions of the  
25 local sales tax law.

26           6. On and after the effective date of any local sales tax imposed under the provisions of  
27 the local sales tax law, the director of revenue shall perform all functions incident to the  
28 administration, collection, enforcement, and operation of the tax, and the director of revenue  
29 shall collect in addition to the sales tax for the state of Missouri all additional local sales taxes  
30 authorized under the authority of the local sales tax law. **The director shall retain one percent**  
31 **of the amount of any local sales or use tax collected for cost of collection.** All local sales  
32 taxes imposed under the local sales tax law together with all taxes imposed under the sales tax  
33 law of the state of Missouri shall be collected together and reported upon such forms and under  
34 such administrative rules and regulations as may be prescribed by the director of revenue.

35           7. All applicable provisions contained in sections 144.010 to 144.525 governing the state  
36 sales tax and section 32.057, the uniform confidentiality provision, shall apply to the collection  
37 of any local sales tax imposed under the local sales tax law except as modified by the local sales  
38 tax law.

39           8. All exemptions granted to agencies of government, organizations, persons and to the  
40 sale of certain articles and items of tangible personal property and taxable services under the  
41 provisions of sections 144.010 to 144.525, as these sections now read and as they may hereafter  
42 be amended, it being the intent of this general assembly to ensure that the same sales tax  
43 exemptions granted from the state sales tax law also be granted under the local sales tax law, are  
44 hereby made applicable to the imposition and collection of all local sales taxes imposed under  
45 the local sales tax law.

46           9. The same sales tax permit, exemption certificate and retail certificate required by  
47 sections 144.010 to 144.525 for the administration and collection of the state sales tax shall  
48 satisfy the requirements of the local sales tax law, and no additional permit or exemption  
49 certificate or retail certificate shall be required; except that the director of revenue may prescribe  
50 a form of exemption certificate for an exemption from any local sales tax imposed by the local  
51 sales tax law.

52           10. All discounts allowed the retailer under the provisions of the state sales tax law for  
53 the collection of and for payment of taxes under the provisions of the state sales tax law are  
54 hereby allowed and made applicable to any local sales tax collected under the provisions of the  
55 local sales tax law.

56           11. The penalties provided in section 32.057 and sections 144.010 to 144.525 for a  
57 violation of the provisions of those sections are hereby made applicable to violations of the  
58 provisions of the local sales tax law.

59           12. (1) For the purposes of any local sales tax imposed by an ordinance or order under  
60 the local sales tax law, all sales, except the sale of motor vehicles, trailers, boats, and outboard  
61 motors, shall be deemed to be consummated at the place of business of the retailer unless the  
62 tangible personal property sold is delivered by the retailer or his agent to an out-of-state  
63 destination. In the event a retailer has more than one place of business in this state which  
64 participates in the sale, the sale shall be deemed to be consummated at the place of business of  
65 the retailer where the initial order for the tangible personal property is taken, even though the  
66 order must be forwarded elsewhere for acceptance, approval of credit, shipment or billing. A  
67 sale by a retailer's agent or employee shall be deemed to be consummated at the place of business  
68 from which he works.

69           (2) For the purposes of any local sales tax imposed by an ordinance or order under the  
70 local sales tax law, all sales of motor vehicles, trailers, boats, and outboard motors shall be

71 deemed to be consummated at the residence of the purchaser and not at the place of business of  
72 the retailer, or the place of business from which the retailer's agent or employee works.

73 (3) For the purposes of any local tax imposed by an ordinance or under the local sales  
74 tax law on charges for mobile telecommunications services, all taxes of mobile  
75 telecommunications service shall be imposed as provided in the Mobile Telecommunications  
76 Sourcing Act, 4 U.S.C. Sections 116 through 124, as amended.

77 13. Local sales taxes imposed pursuant to the local sales tax law on the purchase and sale  
78 of motor vehicles, trailers, boats, and outboard motors shall not be collected and remitted by the  
79 seller, but shall be collected by the director of revenue at the time application is made for a  
80 certificate of title, if the address of the applicant is within a taxing entity imposing a local sales  
81 tax under the local sales tax law.

82 14. The director of revenue and any of his **or her** deputies, assistants and employees who  
83 have any duties or responsibilities in connection with the collection, deposit, transfer, transmittal,  
84 disbursement, safekeeping, accounting, or recording of funds which come into the hands of the  
85 director of revenue under the provisions of the local sales tax law shall enter a surety bond or  
86 bonds payable to any and all taxing entities in whose behalf such funds have been collected  
87 under the local sales tax law in the amount of one hundred thousand dollars for each such tax;  
88 but the director of revenue may enter into a blanket bond covering himself **or herself** and all  
89 such deputies, assistants and employees. The cost of any premium for such bonds shall be paid  
90 by the director of revenue from the share of the collections under the sales tax law retained by  
91 the director of revenue for the benefit of the state.

92 15. The director of revenue shall annually report on his **or her** management of each trust  
93 fund which is created under the local sales tax law and administration of each local sales tax  
94 imposed under the local sales tax law. **He or she** shall provide each taxing entity imposing one  
95 or more local sales taxes authorized by the local sales tax law with a detailed accounting of the  
96 source of all funds received by him for the taxing entity. Notwithstanding any other provisions  
97 of law, the state auditor shall annually audit each trust fund. A copy of the director's report and  
98 annual audit shall be forwarded to each taxing entity imposing one or more local sales taxes.

99 16. Within the boundaries of any taxing entity where one or more local sales taxes have  
100 been imposed, if any person is delinquent in the payment of the amount required to be paid by  
101 him **or her** under the local sales tax law or in the event a determination has been made against  
102 him **or her** for taxes and penalty under the local sales tax law, the limitation for bringing suit for  
103 the collection of the delinquent tax and penalty shall be the same as that provided in sections  
104 144.010 to 144.525. Where the director of revenue has determined that suit must be filed against  
105 any person for the collection of delinquent taxes due the state under the state sales tax law, and  
106 where such person is also delinquent in payment of taxes under the local sales tax law, the

107 director of revenue shall notify the taxing entity in the event any person fails or refuses to pay  
108 the amount of any local sales tax due so that appropriate action may be taken by the taxing entity.

109 17. Where property is seized by the director of revenue under the provisions of any law  
110 authorizing seizure of the property of a taxpayer who is delinquent in payment of the tax imposed  
111 by the state sales tax law, and where such taxpayer is also delinquent in payment of any tax  
112 imposed by the local sales tax law, the director of revenue shall permit the taxing entity to join  
113 in any sale of property to pay the delinquent taxes and penalties due the state and to the taxing  
114 entity under the local sales tax law. The proceeds from such sale shall first be applied to all sums  
115 due the state, and the remainder, if any, shall be applied to all sums due such taxing entity.

116 18. If a local sales tax has been in effect for at least one year under the provisions of the  
117 local sales tax law and voters approve reimposition of the same local sales tax at the same rate  
118 at an election as provided for in the local sales tax law prior to the date such tax is due to expire,  
119 the tax so reimposed shall become effective the first day of the first calendar quarter after the  
120 director receives a certified copy of the ordinance, order or resolution accompanied by a map  
121 clearly showing the boundaries thereof and the results of such election, provided that such  
122 ordinance, order or resolution and all necessary accompanying materials are received by the  
123 director at least thirty days prior to the expiration of such tax. Any administrative cost or  
124 expense incurred by the state as a result of the provisions of this subsection shall be paid by the  
125 city or county reimposing such tax.

**32.088. 1. Beginning January 1, 2012, the possession of a statement from the  
2 department of revenue stating no tax is due under chapters 142, 143, 144, 147, and 149, and  
3 that no fees are due under chapter 260, shall be a prerequisite to the issuance or renewal  
4 of any city or county occupation license or any state license required for conducting any  
5 business. The statement of no tax due shall be dated no longer than ninety days before the  
6 date of submission for application or renewal of the city or county license.**

7 **2. Beginning January 1, 2012, in lieu of subsection 1 of this section, the director  
8 may enter into an agreement with any state agency responsible for issuing any state license  
9 for conducting any business requiring the agency to provide the director of revenue with  
10 the name and Missouri tax identification number of each applicant for licensure within one  
11 month of the date the application is filed or at least one month prior to the anticipated  
12 renewal of a licensee's license. If such licensee is delinquent on any taxes under chapters  
13 142, 143, 144, 147, and 149, or fees under chapter 260, the director shall then send notice  
14 to each such entity and licensee. In the case of such delinquency or failure to file, the  
15 licensee's license shall be suspended within ninety days after notice of such delinquency or  
16 failure to file, unless the director of revenue verifies that such delinquency or failure has  
17 been remedied or arrangements have been made to achieve such remedy. The director of  
18 revenue shall, within ten business days of notification to the governmental entity issuing**

19 the license that the delinquency has been remedied or arrangements have been made to  
20 remedy such delinquency, send written notification to the licensee that the delinquency has  
21 been remedied. Tax liability paid in protest or reasonably founded disputes with such  
22 liability shall be considered paid for the purposes of this section.

32.380. 1. Notwithstanding any other provision of law to the contrary, with respect  
2 to taxes administered by the department of revenue and imposed in chapters 143 and 144,  
3 an amnesty from the assessment or payment of penalties, additions to tax, and fifty percent  
4 of interest due under chapters 32, 143, and 144, shall apply with respect to unpaid taxes  
5 reported and paid in full from August 1, 2011, to October 31, 2011. The amnesty shall  
6 apply only to state tax liabilities due but unpaid on or before December 31, 2010, and shall  
7 not extend to any taxpayer who at the time of payment:

8 (1) Is a party to any criminal investigations or to any civil, administrative, or  
9 arbitral proceeding that is pending in any court or agency of the United States or this state  
10 for nonpayment, delinquency, or fraud in relation to any state tax imposed by the state of  
11 Missouri;

12 (2) Is currently under audit by the department; or

13 (3) Has otherwise been contacted by the department regarding the tax liability or  
14 the department's intent to conduct any audit.

15 2. Upon written application by the taxpayer, on forms prescribed by the director  
16 of revenue, and upon compliance with the provisions of this section, the department of  
17 revenue shall not seek to collect penalties, additions to tax, or interest which may be waived  
18 under this section. The department of revenue shall not seek criminal prosecution of any  
19 taxpayer for the taxable period for which the amnesty has been granted, unless subsequent  
20 investigation or audit shows that the taxpayer engaged in fraudulent or criminal conduct  
21 in applying for amnesty.

22 3. Amnesty shall be granted only to those taxpayers who voluntarily disclose their  
23 liability without previous contact from the department of revenue, have applied for  
24 amnesty within the period stated in subsection 1 of this section, have filed a tax return  
25 between August 1, 2011, and October 31, 2011, for each taxable period for which the  
26 taxpayer is required to file, have paid the entire balance due within sixty days of approval  
27 by the department of revenue, and agree to comply with state tax laws for the next three  
28 years from the date of the agreement, the violation of which shall result in assessment of  
29 all penalties, additions to tax, and interest otherwise subject to abatement. No taxpayer  
30 shall be entitled to a waiver of any penalty, addition to tax, or interest under this section  
31 unless full payment is made in accordance with rules and regulations established by the  
32 director of revenue.

33           **4. If a taxpayer elects to participate in the amnesty program established under this**  
34 **section as evidenced by full payment of the amount due as established by the director of**  
35 **revenue, that election shall constitute an express and absolute relinquishment of all**  
36 **administrative and judicial rights of appeal. No payment received under this section shall**  
37 **be paid under protest, or eligible for refund or credit.**

38           **5. Nothing in this section shall be interpreted to disallow the department of revenue**  
39 **to adjust a taxpayer's tax return as a result of any state or federal audit.**

40           **6. All payments received as a result of the amnesty program established under this**  
41 **section shall be deposited in the same manner as nonamnesty payments.**

42           **7. Any rule or portion of a rule, as that term is defined in section 536.010, that is**  
43 **created under the authority delegated in this section shall become effective only if it**  
44 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**  
45 **section 536.028. This section and chapter 536 are nonseverable and if any of the powers**  
46 **vested with the general assembly pursuant to chapter 536 to review, to delay the effective**  
47 **date, or to disapprove and annul a rule are subsequently held unconstitutional, then the**  
48 **grant of rulemaking authority and any rule proposed or adopted after August 28, 2011,**  
49 **shall be invalid and void.**

**32.400. Sections 32.400 to 32.460 shall be known as the "State Debt Collections**  
2 **Act".**

**32.410. As used in sections 32.400 to 32.470, the following terms shall mean:**

2           **(1) "Debt", an amount owed to the state directly or through a state agency, on**  
3 **account of a fee, duty, lease, direct loan, loan insured or guaranteed by the state, rent,**  
4 **service, sale of real or personal property, overpayment, fine, assessment, penalty,**  
5 **restitution, damages, interest, tax, bail bond, forfeiture, reimbursement, liability owed, an**  
6 **assignment, recovery of costs incurred by the state, or any other source of indebtedness to**  
7 **the state;**

8           **(2) "Debtor", an individual, a corporation, a partnership, an unincorporated**  
9 **association, a limited liability company, a trust, an estate, or any other public or private**  
10 **entity, including a state, local, or federal government, or an Indian tribe, that is liable for**  
11 **a debt or against whom there is a claim for a debt;**

12           **(3) "Department", the department of revenue;**

13           **(4) "State agency", any division, board, commission, office, or other agency of the**  
14 **state of Missouri, including public community college districts and any state or municipal**  
15 **court.**

**32.420. 1. Notwithstanding any other provision of law to the contrary, all state**  
2 **agencies may refer to the department for collection debts owed to them. The department**  
3 **may provide collection services on debts referred to the department by a state agency.**

4           **2. A referring agency may refer the debt to the department for collection at any**  
5 **time after a debt becomes delinquent and uncontested and the debtor has no further**  
6 **administrative appeal of the amount of the debt. Methods and procedures for referral**  
7 **must follow internal guidelines prepared by the department.**

8           **3. The collection procedures and remedies under this chapter are in addition to any**  
9 **other procedure or remedy available by law. If the state agency's applicable state or**  
10 **federal law requires the use of a particular remedy or procedure for the collection of a**  
11 **debt, that particular remedy or procedure governs the collection of that debt to the extent**  
12 **the procedure or remedy is inconsistent with this chapter.**

13           **4. The state agency shall send notice to the debtor by United States mail at the**  
14 **debtor's last known address at least twenty days before the debt is referred to the**  
15 **department. The notice shall state the nature and amount of the debt, identify to whom**  
16 **the debt is owed, and inform the debtor of the remedies available under this chapter or the**  
17 **state agency's own procedures.**

**32.430. 1. The department shall have the authority to use all general remedies**  
2 **afforded creditors of this state in collection of debt as well as any remedies afforded the**  
3 **state agency referring the debt and to the state in general as a creditor.**

4           **2. In addition to the remedies identified in subsection 1 of this section, the**  
5 **department may establish policies and procedures to use the collection remedy afforded**  
6 **under section 143.902 in filing a lien with the county recorder of deeds and the filing of a**  
7 **certificate of lien with the circuit court. The department may also use collection remedies**  
8 **afforded under any chapter for collection of any state debt referred to the department.**  
9 **Debtors shall have all rights afforded under sections 32.400 to 32.470 to notice and to**  
10 **challenge the department's collection.**

11           **3. Venue for any suit filed in aid of collection of a state debt referred to the**  
12 **department shall be in Cole County. If a judgment or a lien was filed with a circuit clerk**  
13 **prior to the date the debt was referred to the department, the venue shall be the county in**  
14 **which the judgment or lien was filed.**

15           **4. The department is authorized to employ department staff and attorneys, and at**  
16 **the department's discretion, the attorney general and prosecuting attorneys and private**  
17 **collection agencies as authorized in sections 136.150 and 140.850 in seeking collection of**  
18 **debts referred to the department by a state agency.**

**32.440. 1. The department shall add to the amount of debt referred to the**  
2 **department by a state agency the cost of collection which shall be ten percent of the total**  
3 **debt referred by the state agency. The department shall have the same authority to collect**  
4 **the cost of collection as the department has in collecting the debt referred by the state**  
5 **agency.**

6           **2. The cost of collection shall only be waived when:**

7           **(1) Within thirty days after the initial notice with the debtor by the department, the**  
8 **debtor establishes to the department reasonable cause for the failure to pay the debt prior**  
9 **to referral of the debt to the department, enters into an agreement satisfactory to the**  
10 **department to pay the debt in full, and fully abides by the terms of that agreement;**

11           **(2) A good faith dispute as to the legitimacy or the amount of the debt exists, and**  
12 **payment is remitted or an agreement satisfactory to the department to pay the debt in full**  
13 **is entered into within thirty days after resolution of the dispute, and the debtor fully abides**  
14 **by the terms of that agreement; or**

15           **(3) Collection costs have been added by the state agency and are included in the**  
16 **amount of the referred debt.**

17           **3. If the department collects an amount less than the total due, the payment is**  
18 **applied proportionally to collection costs and the underlying debt unless the department**  
19 **has waived this requirement for certain categories of debt pursuant to the department's**  
20 **internal guidelines. Collection costs collected by the department under this section shall**  
21 **be deposited in the general revenue fund.**

**32.450. The department may compromise state debt referred to the department in**  
2 **accordance with section 32.378.**

**32.460. 1. The department and the referring state agency shall follow all federal**  
2 **and state laws regarding the confidentiality of information and records regarding the**  
3 **debtor including the disclosure of the debtor's Social Security number, which state**  
4 **agencies, including the judiciary, are authorized to provide to the department in assistance**  
5 **of collection of the state debt referred. Each specific state agency's confidentiality laws**  
6 **shall apply to the employees of the state agency and to the department.**

7           **2. The department and the referring state agency are authorized to exchange such**  
8 **information as is necessary for the successful collection of the state debt referred in**  
9 **accordance with section 610.032. The judiciary is hereby authorized to exchange such**  
10 **information with the department as is necessary for the successful collection of the state**  
11 **debt referred.**

          105.716. 1. Any investigation, defense, negotiation, or compromise of any claim  
2 covered by sections 105.711 to 105.726 shall be conducted by the attorney general; provided,  
3 that in the case of any claim against the department of conservation, the department of  
4 transportation or a public institution which awards baccalaureate degrees, or any officer or  
5 employee of such department or such institution, any investigation, defense, negotiation, or  
6 compromise of any claim covered by sections 105.711 to 105.726 shall be conducted by legal  
7 counsel provided by the respective entity against which the claim is made or which employs the  
8 person against whom the claim is made.

9 In the case of any payment from the state legal expense fund based upon a claim or judgment  
10 against the department of conservation, the department of transportation or any officer or  
11 employee thereof, the department so affected shall immediately transfer to the state legal expense  
12 fund from the department funds a sum equal to the amount expended from the state legal expense  
13 fund on its behalf.

14 2. All persons and entities protected by the state legal expense fund shall cooperate with  
15 the attorneys conducting any investigation and preparing any defense under the provisions of  
16 sections 105.711 to 105.726 by assisting such attorneys in all respects, including the making of  
17 settlements, the securing and giving of evidence, and the attending and obtaining witness to  
18 attend hearings and trials. Funds in the state legal expense fund shall not be used to pay claims  
19 and judgments against those persons and entities who do not cooperate as required by this  
20 subsection.

21 3. The provisions of sections 105.711 to 105.726 notwithstanding, the attorney general  
22 may investigate, defend, negotiate, or compromise any claim covered by sections 105.711 to  
23 105.726 against any public institution which awards baccalaureate degrees whose governing  
24 body has declared a state of financial exigency.

25 4. Notwithstanding the provisions of subsection 2 of section 105.711, funds in the state  
26 legal expense fund may be expended prior to the payment of any claim or any final judgment to  
27 pay costs of defense, including reasonable attorney's fees for retention of legal counsel, when the  
28 attorney general determines that a conflict exists or particular expertise is required, and also to  
29 pay for related legal expenses including medical examination fees, expert witness fees, court  
30 reporter expenses, travel costs and ancillary legal expenses incurred prior to the payment of a  
31 claim or any final judgment.

32 **5. Notwithstanding any other provision of law to the contrary, no funds shall be**  
33 **expended from the state legal expense fund for settlement of any liability claim except upon**  
34 **the production of a no tax due statement from the department of revenue by the party**  
35 **making claim or having judgment under section 105.711, which shall be satisfied from such**  
36 **fund. Payments of no less than ten thousand dollars from the fund for property damage**  
37 **claims shall not require a no tax due statement from the department. If the party is found**  
38 **by the director of revenue to owe a delinquent tax debt to the state of Missouri under the**  
39 **revenue laws of this state, any funds to be paid to the party from the state legal expense**  
40 **fund shall be offset to satisfy such tax debt before payment is made to the party making**  
41 **claim or having judgment.**

2 **140.910. 1. In addition to any other remedy provided by law for the collection of**  
3 **delinquent taxes due the state of Missouri, if the director has filed a certificate of lien in the**  
4 **circuit court as provided by section 143.902, 144.380, or 144.690, the director or his or her**  
5 **designee may issue an order directing any person to withhold and pay over to the**

5 department assets belonging to, due, or to become due the taxpayer. The director or his  
6 or her designee shall not issue the administrative garnishment if the taxpayer has entered  
7 into a written agreement with the department for an alternative payment arrangement and  
8 the taxpayer is in compliance with the agreement.

9       2. An order entered under this section shall be served on the person or other legal  
10 entity either by regular mail or by certified mail, return receipt requested, or may be issued  
11 through electronic means, and shall be binding on the employer or other payor two weeks  
12 after mailing or electronic issuance of such service. The person or other entity in  
13 possession of assets belonging to, due, or to become due the taxpayer may deduct an  
14 additional sum not to exceed six dollars per month as reimbursement for costs, except that  
15 the total amount withheld shall not exceed the limitations contained in the federal  
16 Consumer Credit Protection Act, 15 U.S.C. 1673.

17       3. A copy of the order shall be mailed to the taxpayer at the taxpayer's last known  
18 address. The notice shall advise the taxpayer that the administrative garnishment has  
19 commenced and the procedures to contest such garnishment on the grounds that such  
20 garnishment is improper due to a mistake of fact by requesting a hearing within thirty  
21 days from mailing or electronic issuance of the notice. At such a hearing the certified  
22 records of the department shall constitute prima facie evidence that the director's order  
23 is valid and enforceable. If a prima facie case is established, the obligor may only assert  
24 as a defense mistake as to the identity of the taxpayer, mistake as to payments made, or  
25 existence of an alternative payment agreement for which no default has occurred. The  
26 taxpayer shall have the burden of proof on such issues. The taxpayer may obtain relief  
27 from the garnishment by paying the amount owed.

28       4. An employer or other payor shall withhold from the earnings or other income  
29 of each taxpayer the amount specified in the order. The employer or other payor shall  
30 transmit the payments as directed in the order within ten business days of the date the  
31 earnings, money due, or other income was payable to the taxpayer. For purposes of this  
32 section, "business day" means a day that state offices are open for regular business. The  
33 employer or other payor shall, along with the amounts transmitted, provide the date the  
34 amount was withheld from the taxpayer.

35       5. An order issued under subsection 1 of this section shall be a continuing order and  
36 shall remain in effect and be binding upon any employer or other payor upon whom it is  
37 directed until a further order of the director. The director shall notify an employer or  
38 other payor upon whom such an order has been directed whenever the deficiency is paid  
39 in full.

40       6. If the order is served on a person other than an employer or other payor, it shall  
41 be a lien against any money belonging to the taxpayer that is in the possession of the person

42 on the date of service. The person other than an employer or other payor shall pay over  
43 any assets within ten business days of the service date of the order. A financial institution  
44 ordered to surrender an account shall be entitled to collect its normally scheduled account  
45 activity surcharges to maintain the account during the period of time the account is  
46 garnished. For purposes of this section, the interest of the taxpayer in any joint financial  
47 accounts shall be presumed to be equal to all other joint owners.

48 7. An order issued under subsection 1 of this section shall have priority over any  
49 other legal process under state law against the same income or other asset, except that  
50 where the other legal process is an order issued under section 452.350, 454.505, or 454.507,  
51 the withholding for child support shall have priority.

52 8. No person who complies with an order entered under this section shall be liable  
53 to the taxpayer, or to any other person claiming rights derived from the taxpayer, for  
54 wrongful withholding. A person who fails or refuses to withhold or pay the amounts as  
55 ordered under this section shall be liable to the state in a sum equal to the value of the  
56 wages or property not surrendered, but not to exceed the amount of tax deficiency. The  
57 director is hereby authorized to bring an action in circuit court to determine the liability  
58 of a person for failure to withhold or pay the amounts as ordered. If a court finds that a  
59 violation has occurred, the court may fine the person in an amount not to exceed five  
60 hundred dollars. The court may also enter a judgment against the person or other legal  
61 entity for the amounts to be withheld or paid, court costs, and reasonable attorney's  
62 surcharges.

63 9. The remedy provided by this section shall be available where the state or any of  
64 its political subdivisions is the employer or other payor of the taxpayer in the same manner  
65 and to the same extent as where the employer or other payor is a private party.

66 10. An employer shall not discharge, or refuse to hire or otherwise discipline, an  
67 employee as a result of an order to withhold and pay over certain money authorized by this  
68 section. If any such employee is discharged within thirty days of the date upon which an  
69 order to withhold and pay over certain money is to take effect, there shall arise a  
70 rebuttable presumption that such discharge was a result of such order. This presumption  
71 shall be overcome only by clear, cogent and convincing evidence produced by the employer  
72 that the employee was not terminated because of the order to withhold and pay over  
73 certain money. The director or his or her designee is hereby authorized to bring an action  
74 in circuit court to determine whether the discharge constitutes a violation of this  
75 subsection. If the court finds that a violation has occurred, the court may enter an order  
76 against the employer requiring reinstatement of the employee and may fine the employer  
77 in an amount not to exceed five hundred dollars. Further, the court may enter judgment  
78 against the employer for the back wages, costs, attorney's surcharges, and for the amount

79 of taxes that should have been withheld and paid over during the period of time the  
80 employee was wrongfully discharged.

81 **11. If a taxpayer for whom an order to withhold has been issued under subsection**  
82 **1 of this section terminates the taxpayer's employment, the employer shall, within ten days**  
83 **of the termination, notify the department of the termination, shall provide to the**  
84 **department the last known address of the taxpayer, if known to the employer, and shall**  
85 **provide to the department the name and address of the taxpayer's new employer, if known.**  
86 **The director or his or her designee may issue an order to the new employer as provided in**  
87 **subsection 1 of this section.**

88 **12. For purposes of this section, "assets" include, but are not limited to, currency,**  
89 **any financial account or other liquid asset, and any income or other periodic form of**  
90 **payment due to a taxpayer regardless of source, including, but not limited to, wages,**  
91 **salaries, commissions, bonuses, workers' compensation benefits, disability benefits,**  
92 **payments pursuant to a pension or a retirement program, and interest.**

144.083. 1. The director of revenue shall require all persons who are responsible for the  
2 collection of taxes under the provisions of section 144.080 to procure a retail sales license at no  
3 cost to the licensee which shall be prominently displayed at the licensee's place of business, and  
4 the license is valid until revoked by the director or surrendered by the person to whom issued  
5 when sales are discontinued. The director shall issue the retail sales license within ten working  
6 days following the receipt of a properly completed application. Any person applying for a retail  
7 sales license or reinstatement of a revoked sales tax license who owes any tax under sections  
8 144.010 to 144.510 or sections 143.191 to 143.261 must pay the amount due plus interest and  
9 penalties before the department may issue the applicant a license or reinstate the revoked license.  
10 All persons beginning business subsequent to August 13, 1986, and who are required to collect  
11 the sales tax shall secure a retail sales license prior to making sales at retail. Such license may,  
12 after ten days' notice, be revoked by the director of revenue only in the event the licensee shall  
13 be in default for a period of sixty days in the payment of any taxes levied under section 144.020  
14 or sections 143.191 to 143.261. Notwithstanding the provisions of section 32.057 in the event  
15 of revocation, the director of revenue may publish the status of the business account including  
16 the date of revocation in a manner as determined by the director.

17 2. The possession of a retail sales license and a statement from the department of revenue  
18 that the licensee owes no tax due under [sections 144.010 to 144.510 or sections 143.191 to  
19 143.261] **section 32.088** shall be a prerequisite to the issuance or renewal of any city or county  
20 occupation license or any state license which is required for conducting any business [where  
21 goods are sold at retail]. The date of issuance on the statement that the licensee owes no tax due  
22 shall be no more than ninety days before the date of submission for application or renewal of the

23 local license. The revocation of a retailer's license by the director shall render the occupational  
24 license or the state license null and void.

25         3. No person responsible for the collection of taxes under section 144.080 shall make  
26 sales at retail unless such person is the holder of a valid retail sales license. After all appeals  
27 have been exhausted, the director of revenue may notify the county or city law enforcement  
28 agency representing the area in which the former licensee's business is located that the retail sales  
29 license of such person has been revoked, and that any county or city occupation license of such  
30 person is also revoked. The county or city may enforce the provisions of this section, and may  
31 prohibit further sales at retail by such person.

32         4. In addition to the provisions of subsection 2 of this section, beginning January 1,  
33 2009, **and until December 31, 2011**, the possession of a statement from the department of  
34 revenue stating no tax is due under sections 143.191 to 143.265 or sections 144.010 to 144.510  
35 shall also be a prerequisite to the issuance or renewal of any city or county occupation license  
36 or any state license required for conducting any business where goods are sold at retail. The  
37 statement of no tax due shall be dated no longer than ninety days before the date of submission  
38 for application or renewal of the city or county license.

39         5. Notwithstanding any law or rule to the contrary, sales tax shall only apply to the sale  
40 price paid by the final purchaser and not to any off-invoice discounts or other pricing discounts  
41 or mechanisms negotiated between manufacturers, wholesalers, and retailers.

168.071. 1. The state board of education may refuse to issue or renew a certificate, or  
2 may, upon hearing, discipline the holder of a certificate of license to teach for the following  
3 causes:

4         (1) A certificate holder or applicant for a certificate has pleaded to or been found guilty  
5 of a felony or crime involving moral turpitude under the laws of this state, any other state, of the  
6 United States, or any other country, whether or not sentence is imposed;

7         (2) The certification was obtained through use of fraud, deception, misrepresentation or  
8 bribery;

9         (3) There is evidence of incompetence, immorality, or neglect of duty by the certificate  
10 holder;

11         (4) A certificate holder has been subject to disciplinary action relating to certification  
12 issued by another state, territory, federal agency, or country upon grounds for which discipline  
13 is authorized in this section; [or]

14         (5) If charges are filed by the local board of education, based upon the annulling of a  
15 written contract with the local board of education, for reasons other than election to the general  
16 assembly, without the consent of the majority of the members of the board that is a party to the  
17 contract; **or**

18           **(6) Beginning, January 1, 2012, the government entity issuing a valid certificate of**  
19 **license to teach in Missouri under section 168.011, shall at least one time each year provide**  
20 **the name and Social Security number of each certificate holder or applicant for certificate**  
21 **of a license to teach in Missouri to the director of revenue. The director of revenue shall**  
22 **at least one time each year check the status of each certificate holder or applicant for**  
23 **certificate of a license to teach in Missouri against a database developed by the director to**  
24 **determine if all state income tax returns have been filed and all state income taxes owed**  
25 **have been paid. If such certificate holder or applicant for certificate of a license to teach**  
26 **in Missouri is delinquent on any state taxes, or has failed to file state income tax returns**  
27 **in the last three years, the director shall then send notice to the certificate holder or**  
28 **applicant for certificate of a license to teach in Missouri and the department of elementary**  
29 **and secondary education. In the case of such delinquency or failure to file, the certificate**  
30 **holder's license shall be suspended within ninety days after notice of such delinquency or**  
31 **failure to file, and the applicant for certificate's license shall not be issued unless the**  
32 **director of revenue verifies that such delinquency or failure has been remedied or**  
33 **arrangements have been made to achieve such remedy. The director of revenue shall,**  
34 **within ten business days of notification to the government entity issuing the certificate of**  
35 **license to teach, that the delinquency has been remedied or arrangements have been made**  
36 **to remedy such delinquency, and send written notification to the certificate holder or**  
37 **applicant for certificate that the delinquency has been remedied. Tax liability paid in**  
38 **protest or reasonably founded disputes with such liability shall be considered paid for the**  
39 **purposes of this section.**

40           2. A public school district may file charges seeking the discipline of a holder of a  
41 certificate of license to teach based upon any cause or combination of causes outlined in  
42 subsection 1 of this section, including annulment of a written contract. Charges shall be in  
43 writing, specify the basis for the charges, and be signed by the chief administrative officer of the  
44 district, or by the president of the board of education as authorized by a majority of the board of  
45 education. The board of education may also petition the office of the attorney general to file  
46 charges on behalf of the school district for any cause other than annulment of contract, with  
47 acceptance of the petition at the discretion of the attorney general.

48           3. The department of elementary and secondary education may file charges seeking the  
49 discipline of a holder of a certificate of license to teach based upon any cause or combination of  
50 causes outlined in subsection 1 of this section, other than annulment of contract. Charges shall  
51 be in writing, specify the basis for the charges, and be signed by legal counsel representing the  
52 department of elementary and secondary education.

53           4. If the underlying conduct or actions which are the basis for charges filed pursuant to  
54 this section are also the subject of a pending criminal charge against the person holding such

55 certificate, the certificate holder may request, in writing, a delayed hearing on advice of counsel  
56 under the fifth amendment of the Constitution of the United States. Based upon such a request,  
57 no hearing shall be held until after a trial has been completed on this criminal charge.

58         5. The certificate holder shall be given not less than thirty days' notice of any hearing  
59 held pursuant to this section.

60         6. Other provisions of this section notwithstanding, the certificate of license to teach  
61 shall be revoked or, in the case of an applicant, a certificate shall not be issued, if the certificate  
62 holder or applicant has pleaded guilty to or been found guilty of any of the following offenses  
63 established pursuant to Missouri law or offenses of a similar nature established under the laws  
64 of any other state or of the United States, or any other country, whether or not the sentence is  
65 imposed:

66             (1) Any dangerous felony as defined in section 556.061 or murder in the first degree;

67             (2) Any of the following sexual offenses: rape; statutory rape in the first degree;  
68 statutory rape in the second degree; sexual assault; forcible sodomy; statutory sodomy in the first  
69 degree; statutory sodomy in the second degree; child molestation in the first degree; child  
70 molestation in the second degree; deviate sexual assault; sexual misconduct involving a child;  
71 sexual misconduct in the first degree; sexual abuse; enticement of a child; or attempting to entice  
72 a child;

73             (3) Any of the following offenses against the family and related offenses: incest;  
74 abandonment of child in the first degree; abandonment of child in the second degree;  
75 endangering the welfare of a child in the first degree; abuse of a child; child used in a sexual  
76 performance; promoting sexual performance by a child; or trafficking in children; and

77             (4) Any of the following offenses involving child pornography and related offenses:  
78 promoting obscenity in the first degree; promoting obscenity in the second degree when the  
79 penalty is enhanced to a class D felony; promoting child pornography in the first degree;  
80 promoting child pornography in the second degree; possession of child pornography in the first  
81 degree; possession of child pornography in the second degree; furnishing child pornography to  
82 a minor; furnishing pornographic materials to minors; or coercing acceptance of obscene  
83 material.

84         7. When a certificate holder pleads guilty or is found guilty of any offense that would  
85 authorize the state board of education to seek discipline against that holder's certificate of license  
86 to teach, the local board of education or the department of elementary and secondary education  
87 shall immediately provide written notice to the state board of education and the attorney general  
88 regarding the plea of guilty or finding of guilty.

89         8. The certificate holder whose certificate was revoked pursuant to subsection 6 of this  
90 section may appeal such revocation to the state board of education. Notice of this appeal must  
91 be received by the commissioner of education within ninety days of notice of revocation pursuant

92 to this subsection. Failure of the certificate holder to notify the commissioner of the intent to  
93 appeal waives all rights to appeal the revocation. Upon notice of the certificate holder's intent  
94 to appeal, an appeal hearing shall be held by a hearing officer designated by the commissioner  
95 of education, with the final decision made by the state board of education, based upon the record  
96 of that hearing. The certificate holder shall be given not less than thirty days' notice of the  
97 hearing, and an opportunity to be heard by the hearing officer, together with witnesses.

98         9. In the case of any certificate holder who has surrendered or failed to renew his or her  
99 certificate of license to teach, the state board of education may refuse to issue or renew, or may  
100 suspend or revoke, such certificate for any of the reasons contained in this section.

101         10. In those cases where the charges filed pursuant to this section are based upon an  
102 allegation of misconduct involving a minor child, the hearing officer may accept into the record  
103 the sworn testimony of the minor child relating to the misconduct received in any court or  
104 administrative hearing.

105         11. Hearings, appeals or other matters involving certificate holders, licensees or  
106 applicants pursuant to this section may be informally resolved by consent agreement or agreed  
107 settlement or voluntary surrender of the certificate of license pursuant to the rules promulgated  
108 by the state board of education.

109         12. The final decision of the state board of education is subject to judicial review  
110 pursuant to sections 536.100 to 536.140.

111         13. A certificate of license to teach to an individual who has been convicted of a felony  
112 or crime involving moral turpitude, whether or not sentence is imposed, shall be issued only  
113 upon motion of the state board of education adopted by a unanimous affirmative vote of those  
114 members present and voting.