

FIRST REGULAR SESSION

HOUSE BILL NO. 429

96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES McGHEE (Sponsor), McNEIL, GUERNSEY, KRATKY, CARTER, ZERR, FAITH, STILL, ELLINGER, CARLSON, CONWAY (27) AND SCHUPP (Co-sponsors).

1074L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 143.183, RSMo, and to enact in lieu thereof one new section relating to nonresident entertainer income taxes.

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

Section A. Section 143.183, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 143.183, to read as follows:

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

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

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

(3) "Personal service income" includes exhibition and regular season salaries and wages, guaranteed payments, strike benefits, deferred payments, severance pay, bonuses, and any other

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.

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.

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

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

34 5. Notwithstanding other provisions of this chapter to the contrary, the commissioner of
35 administration[, for all taxable years beginning on or after January 1, 1999, but none after
36 December 31, 2015,] shall annually estimate the amount of state income tax revenues collected
37 pursuant to this chapter which are received from nonresident members of professional athletic
38 teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal year [for
39 a period of sixteen years], sixty percent of the annual estimate of taxes generated from the
40 nonresident entertainer and professional athletic team income tax shall be allocated annually to
41 the Missouri arts council trust fund, and shall be transferred from the general revenue fund to the
42 Missouri arts council trust fund established in section 185.100 and any amount transferred shall
43 be in addition to such agency's budget base for each fiscal year. The director shall by rule
44 establish the method of determining the portion of personal service income of such persons that
45 is allocable to Missouri.

46 6. Notwithstanding the provisions of sections 186.050 to 186.067 to the contrary, the
47 commissioner of administration[, for all taxable years beginning on or after January 1, 1999, but
48 for none after December 31, 2015,] shall estimate annually the amount of state income tax
49 revenues collected pursuant to this chapter which are received from nonresident members of
50 professional athletic teams and nonresident entertainers. For fiscal year 2000, and for each
51 subsequent fiscal year [for a period of sixteen years], ten percent of the annual estimate of taxes
52 generated from the nonresident entertainer and professional athletic team income tax shall be

53 allocated annually to the Missouri humanities council trust fund, and shall be transferred from
54 the general revenue fund to the Missouri humanities council trust fund established in section
55 186.055 and any amount transferred shall be in addition to such agency's budget base for each
56 fiscal year.

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

68 8. Notwithstanding other provisions of section 185.200 to the contrary, the commissioner
69 of administration[, for all taxable years beginning on or after January 1, 1999, but for none after
70 December 31, 2015,] shall estimate annually the amount of state income tax revenues collected
71 pursuant to this chapter which are received from nonresident members of professional athletic
72 teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal year [for
73 a period of sixteen years], ten percent of the annual estimate of taxes generated from the
74 nonresident entertainer and professional athletic team income tax shall be allocated annually to
75 the Missouri public television broadcasting corporation special fund, and shall be transferred
76 from the general revenue fund to the Missouri public television broadcasting corporation special
77 fund, and any amount transferred shall be in addition to such agency's budget base for each fiscal
78 year; provided, however, that twenty-five percent of such allocation shall be used for grants to
79 public radio stations which were qualified by the corporation for public broadcasting as of
80 November 1, 1996. Such grants shall be distributed to each of such public radio stations in this
81 state after receipt of the station's certification of operating and programming expenses for the
82 prior fiscal year. Certification shall consist of the most recent fiscal year financial statement
83 submitted by a station to the corporation for public broadcasting. The grants shall be divided
84 into two categories, an annual basic service grant and an operating grant. The basic service grant
85 shall be equal to thirty-five percent of the total amount and shall be divided equally among the
86 public radio stations receiving grants. The remaining amount shall be distributed as an operating
87 grant to the stations on the basis of the proportion that the total operating expenses of the

88 individual station in the prior fiscal year bears to the aggregate total of operating expenses for
89 the same fiscal year for all Missouri public radio stations which are receiving grants.

90 9. Notwithstanding other provisions of section 253.402 to the contrary, the commissioner
91 of administration[, for all taxable years beginning on or after January 1, 1999, but for none after
92 December 31, 2015,] shall estimate annually the amount of state income tax revenues collected
93 pursuant to this chapter which are received from nonresident members of professional athletic
94 teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal year [for
95 a period of sixteen years], ten percent of the annual estimate of taxes generated from the
96 nonresident entertainer and professional athletic team income tax shall be allocated annually to
97 the Missouri department of natural resources Missouri historic preservation revolving fund, and
98 shall be transferred from the general revenue fund to the Missouri department of natural
99 resources Missouri historic preservation revolving fund established in section 253.402 and any
100 amount transferred shall be in addition to such agency's budget base for each fiscal year. [As
101 authorized pursuant to subsection 2 of section 30.953, it is the intention and desire of the general
102 assembly that the state treasurer convey, to the Missouri investment trust on January 1, 1999, up
103 to one hundred percent of the balances of the Missouri arts council trust fund established
104 pursuant to section 185.100 and the Missouri humanities council trust fund established pursuant
105 to section 186.055. The funds shall be reconveyed to the state treasurer by the investment trust
106 as follows: the Missouri arts council trust fund, no earlier than January 2, 2009; and the
107 Missouri humanities council trust fund, no earlier than January 2, 2009.]