SECOND REGULAR SESSION

HOUSE BILL NO. 1101

96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES BRATTIN (Sponsor), KOENIG, WHITE, McGHEE AND BAHR (Co-sponsors).

4423L.01I D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 32.087, 32.115, 66.601, 66.620, 67.395, 67.525, 67.571, 67.576, 67.578, 67.581, 67.582, 67.583, 67.584, 67.712, 67.713, 67.729, 67.737, 67.738, 67.745, 67.782, 67.799, 67.997, 67.1300, 67.1303, 67.1305, 67.1545, 67.1712, 67.1713, 67.1775, 67.1959, 67.1971, 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705, 99.1205, 100.286, 100.297, 100.850, 135.090, 135.110, 135.220, 135.225, 135.235, 135.279, 135.305, 135.313, 135.327, 135.352, 135.403, 135.460, 135.481, 135.490, 135.503, 135.535, 135.545, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.680, 135.700, 135.710, 135.750, 135.766, 135.967, 135.968, 135.1150, 137.106, 137.1018, 143.011, 143.021, 143.031, 143.071, 143.106, 143.107, 143.111, 143.113, 143.118, 143.119, 143.121, 143.123, 143.124, 143.125, 143.127, 143.131, 143.141, 143.143, 143.151, 143.161, 143.171, 143.183, 143.351, 143.421, 143.471, 144.010, 144.014, 144.020, 144.030, 144.032, 144.043, 144.049, 144.054, 144.069, 144.070, 144.080, 144.083, 144.100, 144.140, 144.210, 144.285, 144.517, 144.526, 144.605, 144.655, 144.710, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, 144.1015, 148.064, 148.400, 148.620, 148.655, 148.657, 178.762, 178.894, 191.1056, 208.770, 221.407, 238.235, 238.410, 253.550, 348.302, 348.434, 348.505, 375.774, 376.745, 376.975, 376.980, 447.708, 620.495, 620.650, 620.1881, 644.032, and 660.055, RSMo, and to enact in lieu thereof one hundred fifty-four new sections relating to the implementation of the streamlined sales and use tax agreement, with penalty provisions and an effective date for certain sections.

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.

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

Section A. Sections 32.087, 32.115, 66.601, 66.620, 67.395, 67.525, 67.571, 67.576, 67.578, 67.581, 67.582, 67.583, 67.584, 67.712, 67.713, 67.729, 67.737, 67.738, 67.745, 67.782, 67.799, 67.997, 67.1300, 67.1303, 67.1305, 67.1545, 67.1712, 67.1713, 67.1775, 67.1959, 67.1971, 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705, 99.1205, 100.286, 100.297, 100.850, 135.090, 135.110, 135.220, 135.225, 135.235, 135.279, 135.305, 135.313, 135.327, 135.352, 135.403, 135.460, 135.481, 135.490, 135.503, 135.535, 135.545, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.680, 135.700, 135.710, 135.750, 135.766, 135.967, 135.968, 135.1150, 137.106, 137.1018, 143.011, 143.021, 143.031, 143.071, 143.106, 143.107, 143.111, 143.113, 143.118, 143.119, 143.121, 143.123, 143.124, 143.125, 143.127, 143.131, 143.141, 143.143, 143.151, 143.161, 143.171, 143.183, 143.351, 143.421, 143.471, 144.010, 144.014, 144.020, 144.030, 144.032, 144.043, 144.049, 144.054, 144.069, 144.070, 144.080, 144.083, 144.100, 144.140, 144.210, 144.285, 144.517, 144.526, 144.605, 144.655, 144.710, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, 144.1015, 148.064, 148.400, 148.620, 148.655, 148.657, 178.762, 178.894, 191.1056, 208.770, 221.407, 238.235, 238.410, 253.550, 348.302, 348.434, 348.505, 375.774, 376.745, 376.975, 376.980, 447.708, 620.495, 620.650, 620.1881, 644.032, and 660.055, RSMo, are repealed and one hundred fifty-four new sections enacted in lieu thereof, to be known as sections 32.070, 32.086, 32.087, 32.115, 66.620, 67.395, 67.525, 67.571, 67.576, 67.578, 67.581, 67.582, 67.583, 67.584, 67.712, 67.713, 67.729, 67.737, 67.738, 67.745, 67.782, 67.799, 67.997, 67.1300, 67.1303, 67.1305, 67.1545, 67.1712, 67.1775, 67.1959, 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705, 99.1205, 100.286, 100.297, 100.850, 135.090, 135.110, 135.220, 135.225, 135.235, 135.279, 135.305, 135.313, 135.327, 135.352, 135.403, 135.460, 135.481, 135.490, 135.503, 135.535, 135.545, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.680, 135.700, 135.710, 135.750, 135.766, 135.967, 135.968, 135.1150, 137.106, 137.1018, 143.011, 143.021, 143.031, 143.071, 143.111, 143.113, 143.118, 143.119, 143.121, 143.123, 143.124, 143.125, 143.127, 143.131, 143.141, 143.143, 143.151, 143.161, 143.171, 143.183, 143.351, 143.421, 143.471, 144.010, 144.014, 144.020, 144.022, 144.030, 144.032, 144.040, 144.042, 144.043, 144.049, 144.054, 144.070, 144.080, 144.082, 144.083, 144.084, 144.100, 144.105, 144.106, 144.123, 144.124, 144.125, 144.140, 144.210, 144.212, 144.285, 144.526, 144.655, 144.710, 148.064, 148.400, 148.620, 148.655, 148.657, 178.762, 178.894, 191.1056, 208.770, 221.407, 238.235, 238.410, 253.550, 348.302, 348.434, 348.505, 375.774, 376.745, 376.975, 376.980, 447.708, 620.495, 620.650, 620.1881, 644.032, and 660.055, to read as follows:

32.070. 1. The director of the department of revenue shall enter into the streamlined sales and use tax agreement with one or more states to simplify and modernize

sales and use tax administration in order to substantially reduce the burden of tax compliance for all sellers and for all types of commerce. In furtherance of the streamlined sales and use tax agreement, the director of the department of revenue may act jointly with other states that are members of the streamlined sales and use tax agreement to establish standards for certification of a certified service provider and certified automated system and establish performance standards for multistate sellers.

2. The director of the department of revenue may take other action reasonably required to implement the provisions set forth in the streamlined sales and use tax administration act, including, but not limited to, the promulgation of rules and the joint procurement, with other member states, of goods and services in furtherance of the streamlined sales and use tax agreement.

3. For the purposes of representing the state as a member of the agreement and, if necessary, amending the agreement, the state shall be represented by three delegates, one of whom shall be appointed by the governor, one shall be a member of the general assembly appointed by mutual agreement of the president pro tem of the senate and the speaker of the house of representatives, with the director of the department of revenue or the director's designee as the third delegate. The delegates shall recommend to the committees responsible for reviewing tax issues in the senate and the house of representatives each year any amendment of state statutes required to be substantially in compliance with the agreement. Such delegates shall make a written report by the fifteenth day of January each year regarding the status of the agreement.

4. The department of revenue shall promulgate rules necessary to implement the provisions of the streamlined sales and use tax agreement.

32.086. Notwithstanding any other provision of law, for all local sales and use taxes collected by the department and remitted to a political jurisdiction or taxing district, the department shall remit one percent of the amount collected to the general revenue fund to offset the cost of collection, unless a greater amount is specified in the local sales and use tax law. The department shall not commingle the remaining amounts collected with general revenues and shall remit the remaining amounts collected to the political jurisdiction or taxing district less any credits for erroneous payments, overpayments, and dishonored checks.

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

2. Any local sales tax so adopted shall become effective on the first day of the second calendar quarter after the director of revenue receives notice of adoption of the local sales tax, except as provided in subsection **[**18**]** **17** of this section.

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

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

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

[6.**]** **5.** On and after the effective date of any local sales tax imposed under the provisions of the local sales tax law, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax, and the director of revenue shall collect in addition to the sales tax for the state of Missouri all additional local sales taxes authorized under the authority of the local sales tax law. All local sales taxes imposed under the local sales tax law together with all taxes imposed under the sales tax law of the state of Missouri shall be collected together and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue.

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

[8.**]** **7.** All exemptions granted to agencies of government, organizations, persons and to the sale of certain articles and items of tangible personal property and taxable services under the provisions of sections 144.010 to 144.525, as these sections now read and as they may hereafter be amended, it being the intent of this general assembly to ensure that the same sales tax

exemptions granted from the state sales tax law also be granted under the local sales tax law, are hereby made applicable to the imposition and collection of all local sales taxes imposed under the local sales tax law.

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

[10.**] 9.** All discounts allowed the retailer under the provisions of the state sales tax law for the collection of and for payment of taxes under the provisions of the state sales tax law are hereby allowed and made applicable to any local sales tax collected under the provisions of the local sales tax law.

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

[12. (1)**] 11.** For the purposes of any local sales tax imposed by an ordinance or order under the local sales tax law, all sales**[**, except the sale of motor vehicles, trailers, boats, and outboard motors, shall be deemed to be consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination. In the event a retailer has more than one place of business in this state which participates in the sale, the sale shall be deemed to be consummated at the place of business of the retailer where the initial order for the tangible personal property is taken, even though the order must be forwarded elsewhere for acceptance, approval of credit, shipment or billing. A sale by a retailer's agent or employee shall be deemed to be consummated at the place of business from which he works.

(2) For the purposes of any local sales tax imposed by an ordinance or order under the local sales tax law, all sales of motor vehicles, trailers, boats, and outboard motors shall be deemed to be consummated at the residence of the purchaser and not at the place of business of the retailer, or the place of business from which the retailer's agent or employee works.

(3) For the purposes of any local tax imposed by an ordinance or under the local sales tax law on charges for mobile telecommunications services, all taxes of mobile telecommunications service shall be imposed as provided in the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sections 116 through 124, as amended**] shall be sourced as provided by sections 144.040 to 144.043**.

77 **[**13.**] 12.** Local sales taxes imposed pursuant to the local sales tax law on the purchase
78 and sale of motor vehicles, trailers, boats, and outboard motors shall not be collected and
79 remitted by the seller, but shall be collected by the director of revenue at the time application is
80 made for a certificate of title, if the address of the applicant is within a taxing entity imposing
81 a local sales tax under the local sales tax law.
82 **[**14.**] 13.** The director of revenue and any of his 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 and all such deputies,
89 assistants and employees. The cost of any premium for such bonds shall be paid by the director
90 of revenue from the share of the collections under the sales tax law retained by the director of
91 revenue for the benefit of the state.
92 **[**15.**] 14.** The director of revenue shall annually report on his 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 shall provide each taxing entity imposing one or more
95 local sales taxes authorized by the local sales tax law with a detailed accounting of the source
96 of all funds received by him for the taxing entity. Notwithstanding any other provisions of law,
97 the state auditor shall annually audit each trust fund. A copy of the director's report and annual
98 audit shall be forwarded to each taxing entity imposing one or more local sales taxes.
99 **[**16.**] 15.** Within the boundaries of any taxing entity where one or more local sales taxes
100 have been imposed, if any person is delinquent in the payment of the amount required to be paid
101 by him under the local sales tax law or in the event a determination has been made against him
102 for taxes and penalty under the local sales tax law, the limitation for bringing suit for the
103 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.**] 16.** Where property is seized by the director of revenue under the provisions of any
110 law authorizing seizure of the property of a taxpayer who is delinquent in payment of the tax
111 imposed by the state sales tax law, and where such taxpayer is also delinquent in payment of any
112 tax imposed by the local sales tax law, the director of revenue shall permit the taxing entity to

113 join in any sale of property to pay the delinquent taxes and penalties due the state and to the
114 taxing entity under the local sales tax law. The proceeds from such sale shall first be applied to
115 all sums due the state, and the remainder, if any, shall be applied to all sums due such taxing
116 entity.

117 **[**18.**] 17.** If a local sales tax has been in effect for at least one year under the provisions
118 of the local sales tax law and voters approve reimposition of the same local sales tax at the same
119 rate at an election as provided for in the local sales tax law prior to the date such tax is due to
120 expire, the tax so reimposed shall become effective the first day of the first calendar quarter after
121 the director receives a certified copy of the ordinance, order or resolution accompanied by a map
122 clearly showing the boundaries thereof and the results of such election, provided that such
123 ordinance, order or resolution and all necessary accompanying materials are received by the
124 director at least thirty days prior to the expiration of such tax. Any administrative cost or
125 expense incurred by the state as a result of the provisions of this subsection shall be paid by the
126 city or county reimposing such tax.

127 **18. If the boundaries of a city in which a sales tax has been imposed shall thereafter**
128 **be changed or altered, the city clerk shall forward to the director of revenue by United**
129 **States registered mail or certified mail a certified copy of the ordinance adding or**
130 **detaching territory from the city within ten days of adoption of the ordinance. The**
131 **ordinance shall reflect the effective date of the ordinance and shall be accompanied by a**
132 **map of the city clearly showing the territory added or detached from the city boundaries.**
133 **Upon receipt of the ordinance and map, the tax imposed under the local sales tax law shall**
134 **be effective in the added territory or abolished in the detached territory on the first day of**
135 **a calendar quarter after one hundred twenty days' notice to sellers.**

136 **19. Any change to any local sales tax boundary or rate shall be effective on the first**
137 **day of a calendar quarter after one hundred twenty days' notice to sellers.**

32.115. 1. The department of revenue shall grant a tax credit, to be applied in the
2 following order until used, against:
3 (1) The annual tax on gross premium receipts of insurance companies in chapter 148;
4 (2) The tax on banks determined pursuant to subdivision (2) of subsection 2 of section
5 148.030;
6 (3) The tax on banks determined in subdivision (1) of subsection 2 of section 148.030;
7 (4) The tax on other financial institutions in chapter 148;
8 (5) The corporation franchise tax in chapter 147;
9 (6) The state income tax in chapter 143; and
10 (7) The annual tax on gross receipts of express companies in chapter 153.
11 2. For proposals approved pursuant to section 32.110:

12 (1) The amount of the tax credit shall not exceed fifty percent of the total amount
13 contributed during the taxable year by the business firm or, in the case of a financial institution,
14 where applicable, during the relevant income period in programs approved pursuant to section
15 32.110;
16 (2) Except as provided in subsection 2 or 5 of this section, a tax credit of up to seventy
17 percent may be allowed for contributions to programs where activities fall within the scope of
18 special program priorities as defined with the approval of the governor in regulations
19 promulgated by the director of the department of economic development;
20 (3) Except as provided in subsection 2 or 5 of this section, the tax credit allowed for
21 contributions to programs located in any community shall be equal to seventy percent of the total
22 amount contributed where such community is a city, town or village which has fifteen thousand
23 or less inhabitants as of the last decennial census and is located in a county which is either
24 located in:
25 (a) An area that is not part of a standard metropolitan statistical area;
26 (b) A standard metropolitan statistical area but such county has only one city, town or
27 village which has more than fifteen thousand inhabitants; or
28 (c) A standard metropolitan statistical area and a substantial number of persons in such
29 county derive their income from agriculture. Such community may also be in an unincorporated
30 area in such county as provided in subdivision (1), (2) or (3) of this subsection. Except in no
31 case shall the total economic benefit of the combined federal and state tax savings to the taxpayer
32 exceed the amount contributed by the taxpayer during the tax year;
33 (4) Such tax credit allocation, equal to seventy percent of the total amount contributed,
34 shall not exceed four million dollars in fiscal year 1999 and six million dollars in fiscal year 2000
35 and any subsequent fiscal year. When the maximum dollar limit on the seventy percent tax credit
36 allocation is committed, the tax credit allocation for such programs shall then be equal to fifty
37 percent credit of the total amount contributed. Regulations establishing special program
38 priorities are to be promulgated during the first month of each fiscal year and at such times
39 during the year as the public interest dictates. Such credit shall not exceed two hundred and fifty
40 thousand dollars annually except as provided in subdivision (5) of this subsection. No tax credit
41 shall be approved for any bank, bank and trust company, insurance company, trust company,
42 national bank, savings association, or building and loan association for activities that are a part
43 of its normal course of business. Any tax credit not used in the period the contribution was made
44 may be carried over the next five succeeding calendar or fiscal years until the full credit has been
45 claimed. Except as otherwise provided for proposals approved pursuant to section 32.111,
46 32.112 or 32.117, in no event shall the total amount of all other tax credits allowed pursuant to
47 sections 32.100 to 32.125 exceed thirty-two million dollars in any one fiscal year, of which six

48 million shall be credits allowed pursuant to section 135.460. If six million dollars in credits are
49 not approved, then the remaining credits may be used for programs approved pursuant to sections
50 32.100 to 32.125;
51 (5) The credit may exceed two hundred fifty thousand dollars annually and shall not be
52 limited if community services, crime prevention, education, job training, physical revitalization
53 or economic development, as defined by section 32.105, is rendered in an area defined by federal
54 or state law as an impoverished, economically distressed, or blighted area or as a neighborhood
55 experiencing problems endangering its existence as a viable and stable neighborhood, or if the
56 community services, crime prevention, education, job training, physical revitalization or
57 economic development is limited to impoverished persons.
58 3. For proposals approved pursuant to section 32.111:
59 (1) The amount of the tax credit shall not exceed fifty-five percent of the total amount
60 invested in affordable housing assistance activities or market rate housing in distressed
61 communities as defined in section 135.530 by a business firm. Whenever such investment is
62 made in the form of an equity investment or a loan, as opposed to a donation alone, tax credits
63 may be claimed only where the loan or equity investment is accompanied by a donation which
64 is eligible for federal income tax charitable deduction, and where the total value of the tax credits
65 herein plus the value of the federal income tax charitable deduction is less than or equal to the
66 value of the donation. Any tax credit not used in the period for which the credit was approved
67 may be carried over the next ten succeeding calendar or fiscal years until the full credit has been
68 allowed. If the affordable housing units or market rate housing units in distressed communities
69 for which a tax is claimed are within a larger structure, parts of which are not the subject of a tax
70 credit claim, then expenditures applicable to the entire structure shall be reduced on a prorated
71 basis in proportion to the ratio of the number of square feet devoted to the affordable housing
72 units or market rate housing units in distressed communities, for purposes of determining the
73 amount of the tax credit. The total amount of tax credit granted for programs approved pursuant
74 to section 32.111 for the fiscal year beginning July 1, 1991, shall not exceed two million dollars,
75 to be increased by no more than two million dollars each succeeding fiscal year, until the total
76 tax credits that may be approved reaches ten million dollars in any fiscal year;
77 (2) For any year during the compliance period indicated in the land use restriction
78 agreement, the owner of the affordable housing rental units for which a credit is being claimed
79 shall certify to the commission that all tenants renting claimed units are income eligible for
80 affordable housing units and that the rentals for each claimed unit are in compliance with the
81 provisions of sections 32.100 to 32.125. The commission is authorized, in its discretion, to audit
82 the records and accounts of the owner to verify such certification;

83 (3) In the case of owner-occupied affordable housing units, the qualifying owner
84 occupant shall, before the end of the first year in which credits are claimed, certify to the
85 commission that the occupant is income eligible during the preceding two years, and at the time
86 of the initial purchase contract, but not thereafter. The qualifying owner occupant shall further
87 certify to the commission, before the end of the first year in which credits are claimed, that
88 during the compliance period indicated in the land use restriction agreement, the cost of the
89 affordable housing unit to the occupant for the claimed unit can reasonably be projected to be
90 in compliance with the provisions of sections 32.100 to 32.125. Any succeeding owner occupant
91 acquiring the affordable housing unit during the compliance period indicated in the land use
92 restriction agreement shall make the same certification;
93 (4) If at any time during the compliance period the commission determines a project for
94 which a proposal has been approved is not in compliance with the applicable provisions of
95 sections 32.100 to 32.125 or rules promulgated therefor, the commission may within one
96 hundred fifty days of notice to the owner either seek injunctive enforcement action against the
97 owner, or seek legal damages against the owner representing the value of the tax credits, or
98 foreclose on the lien in the land use restriction agreement, selling the project at a public sale, and
99 paying to the owner the proceeds of the sale, less the costs of the sale and less the value of all tax
100 credits allowed herein. The commission shall remit to the director of revenue the portion of the
101 legal damages collected or the sale proceeds representing the value of the tax credits. However,
102 except in the event of intentional fraud by the taxpayer, the proposal's certificate of eligibility for
103 tax credits shall not be revoked.
104 4. For proposals approved pursuant to section 32.112, the amount of the tax credit shall
105 not exceed fifty-five percent of the total amount contributed to a neighborhood organization by
106 business firms. Any tax credit not used in the period for which the credit was approved may be
107 carried over the next ten succeeding calendar or fiscal years until the full credit has been allowed.
108 The total amount of tax credit granted for programs approved pursuant to section 32.112 shall
109 not exceed one million dollars for each fiscal year.
110 5. The total amount of tax credits used for market rate housing in distressed communities
111 pursuant to sections 32.100 to 32.125 shall not exceed thirty percent of the total amount of all
112 tax credits authorized pursuant to sections 32.111 and 32.112.
113 **6. Notwithstanding any other provision of law to the contrary, no tax credits shall**
114 **be issued under sections 32.100 to 32.125 after December 31, 2012, and any tax credit**
115 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**
66.620. 1. All county sales taxes collected by the director of revenue under sections
2 66.600 to 66.630 on behalf of any county**[**, less one percent for cost of collection which shall be
3 deposited in the state's general revenue fund after payment of premiums for surety bonds as

4 provided in section 32.087,**]** shall be deposited in a special trust fund, which is hereby created,
5 to be known as the "County Sales Tax Trust Fund". **[**The moneys in the county sales tax trust
6 fund shall not be deemed to be state funds and shall not be commingled with any funds of the
7 state.**]** The director of revenue shall keep accurate records of the amount of money in the trust
8 fund which was collected in each county imposing a county sales tax, and the records shall be
9 open to the inspection of officers of the county and the public. Not later than the tenth day of
10 each month, the director of revenue shall distribute all moneys deposited in the trust fund during
11 the preceding month to the county which levied the tax; such funds shall be deposited with the
12 county treasurer of the county and all expenditures of funds arising from the county sales tax
13 trust fund shall be by an appropriation act to be enacted by the legislative council of the county,
14 and to the cities, towns and villages located wholly or partly within the county which levied the
15 tax in the manner as set forth in sections 66.600 to 66.630.
16 2. In any county not adopting an additional sales tax and alternate distribution system
17 as provided in section 67.581, for the purposes of distributing the county sales tax, the county
18 shall be divided into two groups, "Group A" and "Group B". Group A shall consist of all cities,
19 towns and villages which are located wholly or partly within the county which levied the tax and
20 which had a city sales tax in effect under the provisions of sections 94.500 to 94.550 on the day
21 prior to the adoption of the county sales tax ordinance, except that beginning January 1, 1980,
22 group A shall consist of all cities, towns and villages which are located wholly or partly within
23 the county which levied the tax and which had a city sales tax approved by the voters of such city
24 under the provisions of sections 94.500 to 94.550 on the day prior to the effective date of the
25 county sales tax. For the purposes of determining the location of consummation of sales for
26 distribution of funds to cities, towns and villages in group A, the boundaries of any such city,
27 town or village shall be the boundary of that city, town or village as it existed on March 19,
28 1984. Group B shall consist of all cities, towns and villages which are located wholly or partly
29 within the county which levied the tax and which did not have a city sales tax in effect under the
30 provisions of sections 94.500 to 94.550 on the day prior to the adoption of the county sales tax
31 ordinance, and shall also include all unincorporated areas of the county which levied the tax;
32 except that, beginning January 1, 1980, group B shall consist of all cities, towns and villages
33 which are located wholly or partly within the county which levied the tax and which did not have
34 a city sales tax approved by the voters of such city under the provisions of sections 94.500 to
35 94.550 on the day prior to the effective date of the county sales tax and shall also include all
36 unincorporated areas of the county which levied the tax.
37 3. Until January 1, 1994, the director of revenue shall distribute to the cities, towns and
38 villages in group A the taxes based on the location in which the sales were deemed consummated
39 under section 66.630 and subsection 12 of section 32.087. Except for distribution governed by

40 section 66.630, after deducting the distribution to the cities, towns and villages in group A, the
41 director of revenue shall distribute the remaining funds in the county sales tax trust fund to the
42 cities, towns and villages and the county in group B as follows: To the county which levied the
43 tax, a percentage of the distributable revenue equal to the percentage ratio that the population of
44 the unincorporated areas of the county bears to the total population of group B; and to each city,
45 town or village in group B located wholly within the taxing county, a percentage of the
46 distributable revenue equal to the percentage ratio that the population of such city, town or
47 village bears to the total population of group B; and to each city, town or village located partly
48 within the taxing county, a percentage of the distributable revenue equal to the percentage ratio
49 that the population of that part of the city, town or village located within the taxing county bears
50 to the total population of group B.
51 4. From and after January 1, 1994, the director of revenue shall distribute to the cities,
52 towns and villages in group A a portion of the taxes based on the location in which the sales were
53 deemed consummated under section 66.630 and subsection 12 of section 32.087 in accordance
54 with the formula described in this subsection. After deducting the distribution to the cities,
55 towns and villages in group A, the director of revenue shall distribute funds in the county sales
56 tax trust fund to the cities, towns and villages and the county in group B as follows: To the
57 county which levied the tax, ten percent multiplied by the percentage of the population of
58 unincorporated county which has been annexed or incorporated since April 1, 1993, multiplied
59 by the total of all sales tax revenues countywide, and a percentage of the remaining distributable
60 revenue equal to the percentage ratio that the population of unincorporated areas of the county
61 bears to the total population of group B; and to each city, town or village in group B located
62 wholly within the taxing county, a percentage of the remaining distributable revenue equal to the
63 percentage ratio that the population of such city, town or village bears to the total population of
64 group B; and to each city, town or village located partly within the taxing county, a percentage
65 of the remaining distributable revenue equal to the percentage ratio that the population of that
66 part of the city, town or village located within the taxing county bears to the total population of
67 group B.
68 5. (1) For purposes of administering the distribution formula of subsection 4 of this
69 section, the revenues arising each year from sales occurring within each group A city, town or
70 village shall be distributed as follows: Until such revenues reach the adjusted county average,
71 as hereinafter defined, there shall be distributed to the city, town or village all of such revenues
72 reduced by the percentage which is equal to ten percent multiplied by the percentage of the
73 population of unincorporated county which has been annexed or incorporated after April 1, 1993;
74 and once revenues exceed the adjusted county average, total revenues shall be shared in
75 accordance with the redistribution formula as defined in this subsection.

76 (2) For purposes of this subsection, the "adjusted county average" is the per capita
77 countywide average of all sales tax distributions during the prior calendar year reduced by the
78 percentage which is equal to ten percent multiplied by the percentage of the population of
79 unincorporated county which has been annexed or incorporated after April 1, 1993; the
80 "redistribution formula" is as follows: During 1994, each group A city, town and village shall
81 receive that portion of the revenues arising from sales occurring within the municipality that
82 remains after deducting therefrom an amount equal to the cumulative sales tax revenues arising
83 from sales within the municipality multiplied by the percentage which is the sum of ten percent
84 multiplied by the percentage of the population of unincorporated county which has been annexed
85 or incorporated after April 1, 1993, and the percentage, if greater than zero, equal to the product
86 of 8.5 multiplied by the logarithm (to base 10) of the product of 0.035 multiplied by the total of
87 cumulative per capita sales taxes arising from sales within the municipality less the adjusted
88 county average. During 1995, each group A city, town and village shall receive that portion of
89 the revenues arising from sales occurring within the municipality that remains after deducting
90 therefrom an amount equal to the cumulative sales tax revenues arising from sales within the
91 municipality multiplied by the percentage which is the sum of ten percent multiplied by the
92 percentage of the population of unincorporated county which has been annexed or incorporated
93 after April 1, 1993, and the percentage, if greater than zero, equal to the product of seventeen
94 multiplied by the logarithm (to base 10) of the product of 0.035 multiplied by the total of
95 cumulative per capita sales taxes arising from sales within the municipality less the adjusted
96 county average. From January 1, 1996, until January 1, 2000, each group A city, town and
97 village shall receive that portion of the revenues arising from sales occurring within the
98 municipality that remains after deducting therefrom an amount equal to the cumulative sales tax
99 revenues arising from sales within the municipality multiplied by the percentage which is the
100 sum of ten percent multiplied by the percentage of the population of unincorporated county
101 which has been annexed or incorporated after April 1, 1993, and the percentage, if greater than
102 zero, equal to the product of 25.5 multiplied by the logarithm (to base 10) of the product of 0.035
103 multiplied by the total of cumulative per capita sales taxes arising from sales within the
104 municipality less the adjusted county average. From and after January 1, 2000, the distribution
105 formula covering the period from January 1, 1996, until January 1, 2000, shall continue to apply,
106 except that the percentage computed for sales arising within the municipalities shall be not less
107 than 7.5 percent for municipalities within which sales tax revenues exceed the adjusted county
108 average, nor less than 12.5 percent for municipalities within which sales tax revenues exceed the
109 adjusted county average by at least twenty-five percent.
110 (3) For purposes of applying the redistribution formula to a municipality which is partly
111 within the county levying the tax, the distribution shall be calculated alternately for the

112 municipality as a whole, except that the factor for annexed portion of the county shall not be
113 applied to the portion of the municipality which is not within the county levying the tax, and for
114 the portion of the municipality within the county levying the tax. Whichever calculation results
115 in the larger distribution to the municipality shall be used.

116 (4) Notwithstanding any other provision of this section, the fifty percent of additional
117 sales taxes as described in section 99.845 arising from economic activities within the area of a
118 redevelopment project established after July 12, 1990, pursuant to sections 99.800 to 99.865,
119 while tax increment financing remains in effect shall be deducted from all calculations of
120 countywide sales taxes, shall be distributed directly to the municipality involved, and shall be
121 disregarded in calculating the amounts distributed or distributable to the municipality. Further,
122 any agreement, contract or covenant entered into prior to July 12, 1990, between a municipality
123 and any other political subdivision which provides for an appropriation of incremental sales tax
124 revenues to the special allocation fund of a tax increment financing project while tax increment
125 financing remains in effect shall continue to be in full force and effect and the sales taxes so
126 appropriated shall be deducted from all calculations of countywide sales taxes, shall be
127 distributed directly to the municipality involved, and shall be disregarded in calculating the
128 amounts distributed or distributable to the municipality. In addition, and notwithstanding any
129 other provision of this chapter to the contrary, economic development funds shall be distributed
130 in full to the municipality in which the sales producing them were deemed consummated.
131 Additionally, economic development funds shall be deducted from all calculations of countywide
132 sales taxes and shall be disregarded in calculating the amounts distributed or distributable to the
133 municipality. As used in this subdivision, the term "economic development funds" means the
134 amount of sales tax revenue generated in any fiscal year by projects authorized pursuant to
135 chapter 99 or chapter 100 in connection with which such sales tax revenue was pledged as
136 security for, or was guaranteed by a developer to be sufficient to pay, outstanding obligations
137 under any agreement authorized by chapter 100, entered into or adopted prior to September 1,
138 1993, between a municipality and another public body. The cumulative amount of economic
139 development funds allowed under this provision shall not exceed the total amount necessary to
140 amortize the obligations involved.

141 6. If the qualified voters of any city, town or village vote to change or alter its boundaries
142 by annexing any unincorporated territory included in group B or if the qualified voters of one or
143 more city, town or village in group A and the qualified voters of one or more city, town or village
144 in group B vote to consolidate, the area annexed or the area consolidated which had been a part
145 of group B shall remain a part of group B after annexation or consolidation. After the effective
146 date of the annexation or consolidation, the annexing or consolidated city, town or village shall
147 receive a percentage of the group B distributable revenue equal to the percentage ratio that the

148 population of the annexed or consolidated area bears to the total population of group B and such
149 annexed area shall not be classified as unincorporated area for determination of the percentage
150 allocable to the county. If the qualified voters of any two or more cities, towns or villages in
151 group A each vote to consolidate such cities, towns or villages, then such consolidated cities,
152 towns or villages shall remain a part of group A. For the purpose of sections 66.600 to 66.630,
153 population shall be as determined by the last federal decennial census or the latest census that
154 determines the total population of the county and all political subdivisions therein. For the
155 purpose of calculating the adjustment based on the percentage of unincorporated county
156 population which is annexed after April 1, 1993, the accumulated percentage immediately before
157 each census shall be used as the new percentage base after such census. After any annexation,
158 incorporation or other municipal boundary change affecting the unincorporated area of the
159 county, the chief elected official of the county shall certify the new population of the
160 unincorporated area of the county and the percentage of the population which has been annexed
161 or incorporated since April 1, 1993, to the director of revenue. After the adoption of the county
162 sales tax ordinance, any city, town or village in group A may by adoption of an ordinance by its
163 governing body cease to be a part of group A and become a part of group B. Within ten days
164 after the adoption of the ordinance transferring the city, town or village from one group to the
165 other, the clerk of the transferring city, town or village shall forward to the director of revenue,
166 by registered mail, a certified copy of the ordinance. Distribution to such city as a part of its
167 former group shall cease and as a part of its new group shall begin on the first day of January of
168 the year following notification to the director of revenue, provided such notification is received
169 by the director of revenue on or before the first day of July of the year in which the transferring
170 ordinance is adopted. If such notification is received by the director of revenue after the first day
171 of July of the year in which the transferring ordinance is adopted, then distribution to such city
172 as a part of its former group shall cease and as a part of its new group shall begin the first day
173 of July of the year following such notification to the director of revenue. Once a group A city,
174 town or village becomes a part of group B, such city may not transfer back to group A.
175 7. If any city, town or village shall hereafter change or alter its boundaries, the city clerk
176 of the municipality shall forward to the director of revenue, by registered mail, a certified copy
177 of the ordinance adding or detaching territory from the municipality. The ordinance shall reflect
178 the effective date thereof, and shall be accompanied by a map of the municipality clearly
179 showing the territory added thereto or detached therefrom. Upon receipt of the ordinance and
180 map, the tax imposed by sections 66.600 to 66.630 shall be redistributed and allocated in
181 accordance with the provisions of this section on the effective date of the change of the
182 municipal boundary so that the proper percentage of group B distributable revenue is allocated
183 to the municipality in proportion to any annexed territory. If any area of the unincorporated

county elects to incorporate subsequent to the effective date of the county sales tax as set forth in sections 66.600 to 66.630, the newly incorporated municipality shall remain a part of group B. The city clerk of such newly incorporated municipality shall forward to the director of revenue, by registered mail, a certified copy of the incorporation election returns and a map of the municipality clearly showing the boundaries thereof. The certified copy of the incorporation election returns shall reflect the effective date of the incorporation. Upon receipt of the incorporation election returns and map, the tax imposed by sections 66.600 to 66.630 shall be distributed and allocated in accordance with the provisions of this section on the effective date of the incorporation.

8. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. If any county abolishes the tax, the county shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal and the director of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of the tax in such county, the director of revenue shall remit the balance in the account to the county and close the account of that county. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the county.

9. Except as modified in sections 66.600 to 66.630, all provisions of sections 32.085 and 32.087 shall apply to the tax imposed under sections 66.600 to 66.630.

67.395. 1. All sales taxes collected by the director of revenue under sections 67.391 to 67.395 on behalf of any county**[**, less one percent for cost of collection which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in section 32.087**]** shall be deposited with the state treasurer in a special trust fund, which is hereby created, to be known as the "County Anti-Drug Sales Tax Trust Fund". **[**The moneys in the county anti-drug sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.**]** The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each county imposing a sales tax under sections 67.391 to 67.395, and the records shall be open to the inspection of officers of the county and the public. Not later than the tenth day of each month, the director of revenue shall distribute all moneys deposited in the trust fund during the preceding month to the county which levied the tax. Such funds shall be deposited with the county treasurer of each such county, and

all expenditures of funds arising from the county anti-drug sales tax trust fund shall be by an appropriation act to be enacted by the governing body of each such county.

2. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. If any county abolishes the tax, the county shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal and the director of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of the tax in such county, the director of revenue shall authorize the state treasurer to remit the balance in the account to the county and close the account of that county. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the county.

3. Except as modified in sections 67.391 to 67.395, all provisions of sections 32.085 **[**and**] to** 32.087 shall apply to the tax imposed under sections 67.391 to 67.395.

67.525. 1. All county sales taxes collected by the director of revenue under sections 67.500 to 67.545 on behalf of any county**[**, less one percent for cost of collection, which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in section 32.087,**]** shall be deposited with the state treasurer in a county sales tax trust fund, which fund shall be separate and apart from the county sales tax trust fund established by section 66.620. **[**The moneys in such county sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.**]** The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each county imposing a county sales tax, and the records shall be open to the inspection of officers of the county and to the public. Not later than the tenth day of each month the director of revenue shall distribute all moneys deposited in the trust fund during the preceding month by distributing to the county treasurer, or such other officer as may be designated by the county ordinance or order, of each county imposing the tax authorized by sections 67.500 to 67.545, the sum due the county as certified by the director of revenue.

2. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. If any county abolishes the tax, the county shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal, and the director of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after

21 receipt of such notice to cover possible refunds or overpayment of the tax and to redeem
22 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed
23 after the effective date of abolition of the tax in such county, the director of revenue shall
24 authorize the state treasurer to remit the balance in the account to the county and close the
25 account of that county. The director of revenue shall notify each county of each instance of any
26 amount refunded or any check redeemed from receipts due the county.
27 3. Except as modified in sections 67.500 to 67.545, all provisions of sections 32.085
28 **[**and**] to** 32.087 shall apply to the tax imposed under sections 67.500 to 67.545.

67.571. 1. The governing body of any county of the first classification with a population
2 of more than eighty-two thousand inhabitants and less than ninety thousand inhabitants may, in
3 addition to any tourism sales tax imposed pursuant to sections 67.671 to 67.685, by a majority
4 vote, impose a sales tax for the funding of museums and festivals. For purposes of this section,
5 the term "funding of museums and festivals" shall mean:
6 (1) Funding of museums operating in the county, which are registered with the United
7 States Internal Revenue Service as a 501(C)(3) corporation and which are considered by the
8 board to be tourism attractions; and
9 (2) Funding of organizations that are registered as 501(C)(3) corporations which promote
10 cultural heritage tourism including festivals and the arts.
11 2. Any question submitted to the voters of such county to establish a sales tax pursuant
12 to this section shall be submitted in substantially the following form:
13 Shall the county of ..... (insert the name of the county) impose a sales tax of
14 ..... (insert rate of percent) percent to be used to fund (museums, cultural heritage,
15 festivals) in certain areas of the county?
16 ☐ YES ☐ NO
17 3. If a majority of the votes cast on the proposal by the qualified voters voting thereon
18 are in favor of the proposal, and the tax takes effect pursuant to this section, the museums and
19 festivals board appointed pursuant to subsection 5 of this section shall determine in what manner
20 the tax revenue moneys will be expended, and disbursements of these moneys shall be made
21 strictly in accordance with directions of the board which are consistent with the provisions of
22 sections 67.571 to 67.577. Expenditures of these tax moneys may be made for the employment
23 of personnel selected by the board to assist in carrying out the duties of the board, and the board
24 is expressly authorized to employ such personnel. Expenditures of these tax moneys may be
25 made directly to corporations pursuant to subsection 1 of this section. No such tax revenue
26 moneys shall be disbursed to or on behalf of any corporation, organization or entity that is not
27 duly registered with the Internal Revenue Service as a 501(C)(3) organization.

4. Any sales tax imposed pursuant to this section shall be imposed at a rate not to exceed two-tenths of one percent on receipts from the sale of certain tangible personal property or taxable services within the county pursuant to sections 67.571 to 67.577.

5. The governing body of any county which imposes a sales tax pursuant to this section may establish a museums and festivals board for the purpose of expending funds collected from any sales tax submitted and approved by the county's voters pursuant to this section. The board shall be comprised of six members who are appointed by the governing body of the county from a list of candidates supplied by the chair of each of the two major political parties of the county. The board shall be comprised of three members from each of the two political parties. Members shall serve for three-year terms, but of the members first appointed, one shall be appointed for a term of one year, two shall be appointed for a term of two years, and two shall be appointed for a term of three years. Each member shall be a resident of the county from which he or she is appointed. The members of the board shall not receive compensation for service on the board, but shall be reimbursed from the tax revenue money for any reasonable and necessary expenses incurred in service on the board.

6. In the area of each county in which a sales tax has been imposed in the manner provided by sections 67.571 to 67.577, every retailer within such area shall add the tax imposed by the provisions of sections 67.571 to 67.577 to his sale price, and this tax shall be a debt of the purchaser to the retailer until paid, and shall be recoverable at law in the same manner as the purchase price.

7. In counties imposing a tax under the provisions of sections 67.571 to 67.577, in order to permit sellers required to collect and report the sales tax to collect the amount required to be reported and remitted, but not to change the requirements of reporting or remitting the tax, or to serve as a levy of the tax, and in order to avoid fractions of pennies, the governing body may authorize the use of a bracket system similar to that authorized by the provisions of section 144.285, and notwithstanding the provisions of that section, this new bracket system shall be used where this tax is imposed and shall apply to all taxable transactions.

8. Except as modified in this section, all provisions of sections 32.085 to 32.087 shall apply to the tax imposed under this section.

67.576. 1. The following provisions shall govern the collection of the tax imposed by the provisions of sections 67.571 to 67.577:

(1) All applicable provisions contained in sections 144.010 to 144.510 governing the state sales tax and section 32.057, the uniform confidentiality provision, shall apply to the collection of the tax imposed by the provisions of sections 67.571 to 67.577;

(2) All exemptions granted to agencies of government, organizations, and persons under the provisions of sections 144.010 to 144.510 are hereby made applicable to the imposition and collection of the tax imposed by sections 67.571 to 67.577.

2. The same sales tax permit, exemption certificate and retail certificate required by sections 144.010 to 144.510 for the administration and collection of the state sales tax shall satisfy the requirements of sections 67.571 to 67.577, and no additional permit or exemption certificate or retail certificate shall be required; except that, the director of revenue may prescribe a form of exemption certificate for an exemption from the tax imposed by sections 67.571 to 67.577.

3. All discounts allowed the retailer pursuant to the provisions of the state sales tax law for the collection of and for payment of taxes pursuant to that act are hereby allowed and made applicable to any taxes collected pursuant to the provisions of sections 67.571 to 67.577.

4. The penalties provided in section 32.057 and sections 144.010 to 144.510 for a violation of those acts are hereby made applicable to violations of the provisions of sections 67.571 to 67.577.

5. **[**For the purposes of the sales tax imposed by an order pursuant to sections 67.571 to 67.577, all retail sales shall be deemed to be consummated at the place of business of the retailer**]** **Except as provided in sections 67.571 to 67.577, all provisions of sections 32.085 to 32.087 shall apply to the tax imposed under sections 67.571 to 67.577**.

67.578. 1. The governing authority of any county of the third classification without a township form of government and with more than sixteen thousand four hundred but less than sixteen thousand five hundred inhabitants may impose a sales tax in an amount not to exceed one-fifth of one percent on all retail sales made in the county which are subject to taxation pursuant to sections 144.010 to 144.525, to be used solely for the funding of museums. For purposes of this section, the term "museums" means museums operating in the county, which are registered with the United States Internal Revenue Service as a 501(c)(3) corporation and which are considered by the board to be a tourism attraction. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no sales tax shall be imposed pursuant to this section unless the governing authority submits to the voters of the county, at a county or state general, primary, or special election, a proposal to authorize the governing authority to impose the tax.

2. The ballot of submission shall contain, but need not be limited to, the following language:

Shall the county of ..... (insert the name of the county) impose a sales tax of ..... (insert rate of percent) percent for the funding of museums? "Museums" means museums operating in the county, which are registered with the United States Internal Revenue Service as

18 a 501(c)(3) corporation and which are considered by the museum board to be a tourism
19 attraction.
20 ☐ YES ☐ NO
21
22 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
23 to the question, place an "X" in the box opposite "NO". If a majority of the votes cast on the
24 proposal by the qualified voters voting thereon are in favor of the proposal, then the sales tax
25 shall become effective on the first day of the second calendar quarter after the director of revenue
26 receives notice of the adoption of the tax. If the proposal receives less than the required majority
27 of votes, then the governing authority shall have no power to impose the tax unless and until the
28 governing authority has again submitted another proposal to authorize the governing authority
29 to impose the sales tax authorized by this section and such proposal is approved by the required
30 majority of the qualified voters voting thereon.
31 3. On or after the effective date of the tax, the director of revenue shall be responsible
32 for the administration, collection, enforcement, and operation of the tax, and sections 32.085
33 **[**and**] to** 32.087 shall apply. The director may retain an amount not to exceed one percent for
34 deposit in the general revenue fund to offset the costs of collection. In order to permit sellers
35 required to collect and report the sales tax to collect the amount required to be reported and
36 remitted, but not to change the requirements of reporting or remitting the tax, or to serve as a
37 levy of the tax, and in order to avoid fractions of pennies, the governing authority may authorize
38 the use of a bracket system similar to that authorized in section 144.285, and notwithstanding
39 the provisions of that section, this new bracket system shall be used where this tax is imposed
40 and shall apply to all taxable transactions. Beginning with the effective date of the tax, every
41 retailer in the county shall add the sales tax to the sale price, and this tax shall be a debt of the
42 purchaser to the retailer until paid, and shall be recoverable at law in the same manner as the
43 purchase price. For purposes of this section, all retail sales shall be deemed to be consummated
44 at the place of business of the retailer.
45 4. All applicable provisions in sections 144.010 to 144.525 governing the state sales tax,
46 and section 32.057, the uniform confidentiality provision, shall apply to the collection of the tax,
47 and all exemptions granted to agencies of government, organizations, and persons pursuant to
48 sections 144.010 to 144.525 are hereby made applicable to the imposition and collection of the
49 tax. The same sales tax permit, exemption certificate, and retail certificate required by sections
50 144.010 to 144.525 for the administration and collection of the state sales tax shall satisfy the
51 requirements of this section, and no additional permit or exemption certificate or retail certificate
52 shall be required; except that, the director of revenue may prescribe a form of exemption
53 certificate for an exemption from the tax. All discounts allowed the retailer pursuant to the state

sales tax law for the collection of and for payment of taxes are hereby allowed and made applicable to the tax. The penalties for violations provided in section 32.057 and sections 144.010 to 144.525 are hereby made applicable to violations of this section. If any person is delinquent in the payment of the amount required to be paid pursuant to this section, or in the event a determination has been made against the person for taxes and penalty pursuant to this section, the limitation for bringing suit for the collection of the delinquent tax and penalty shall be the same as that provided in sections 144.010 to 144.525.

5. The governing authority may authorize any museum board already existing in the county, or may establish a museum board, to expend revenue collected pursuant to this section. In the event that no museum board already exists, the board established pursuant to this section shall consist of six members who are appointed by the governing authority from a list of candidates supplied by the chair of each of the two major political parties of the county, with three members from each of the two parties. Members shall serve for three-year terms, but of the members first appointed, **[**one**] two** shall be appointed for a term of one year, two shall be appointed for a term of two years, and two shall be appointed for a term of three years. Each member shall be a resident of the county. The members shall not receive compensation for service on the board, but shall be reimbursed from the revenues collected pursuant to this section for any reasonable and necessary expenses incurred in service on the board. The board shall determine in what manner the revenues will be expended, and disbursements of these moneys shall be made strictly in accordance with this section. Expenditures may be made for the employment of personnel selected by the board to assist in carrying out the duties of the board, and the board is expressly authorized to employ such personnel.

6. The governing authority may submit the question of repeal of the tax to the voters at any county or state general, primary, or special election. The ballot of submission shall contain, but need not be limited to, the following language:

Shall the county of ..... (insert name of county) repeal the sales tax of ..... (insert rate of percent) percent for the funding of museums?

☐ YES ☐ NO

If you are in favor of the question, place an "X" in the box opposite "YES".

If you are opposed to the question, place an "X" in the box opposite "NO". **[**If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become effective on December thirty-first of the calendar year in which the repeal was approved.**]**

67.581. 1. In addition to the sales tax permitted by sections 66.600 to 66.630, any county of the first class having a charter form of government and having a population of nine hundred

3 thousand or more may impose an additional countywide sales tax upon approval by a vote of the
4 qualified voters of the county. The proposal may be submitted to the voters by the governing
5 body of the county and shall be submitted to the voters at the next general election upon petitions
6 signed by a number of qualified voters residing in the county equal to at least eight percent of
7 the votes cast in the county in the next preceding gubernatorial election filed with the governing
8 body of the county. The submission shall include the levying of a sales tax at a rate of not to
9 exceed two hundred seventy-five one-thousandths of one percent on the receipts from the sale
10 at retail of all tangible personal property or taxable services within the county which are also
11 taxable under the provisions of sections 66.600 to 66.630, and shall provide for the distribution
12 of the proceeds in the manner provided in either subsection 4 or subsection 5 of this section. If
13 either of the alternative distribution systems as provided in subsection 4 or subsection 5 of this
14 section is approved by the voters, then the alternative system of distribution may not be
15 submitted to the voters for at least three years from the date of such voter approval.
16 2. The ballot of submission shall contain, but is not limited to, the following language:
17 Shall the County of ..... levy an additional sales tax at the rate of ..... (insert rate)
18 and distribute the proceeds in the manner provided in ..... (insert proper reference)
19 (subsection 4)(subsection 5) of section 67.581, RSMo?
20 ☐ YES ☐ NO
21
22 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
23 of the proposal, the additional sales tax shall be levied and collected and the proceeds from the
24 additional tax shall be distributed as provided in either subsection 4 or subsection 5 of this
25 section. If a majority of the votes cast by the qualified voters voting thereon are opposed to the
26 proposal, then the governing body of the county shall have no power to impose the additional
27 sales tax authorized by this section unless and until a proposal for the levy of such tax is
28 submitted to and approved by the voters of the county.
29 3. The provisions of sections 66.600 to 66.630 and sections 32.085 **[**and**] to** 32.087,
30 except to the extent otherwise provided in this section, shall govern the levy, collection,
31 distribution and other procedures related to an additional sales tax imposed pursuant to this
32 section.
33 4. In any county adopting an additional sales tax pursuant to the provisions of this
34 section, and selecting the method of distribution provided in this subsection, the proceeds from
35 the sales tax imposed pursuant to this section, less one percent collection cost, shall be
36 distributed first to those municipalities that did not receive during the preceding calendar year
37 ninety-five percent of the amount the municipality would have received by multiplying the
38 population of the municipality by the average per capita sales tax receipt for such county in an

39 amount which will bring each municipality receipt of sales tax moneys up to ninety-five percent
40 of the average per capita receipts from the proceeds of the sales tax imposed pursuant to sections
41 66.600 to 66.630. Any remainder of the money received from the sales tax imposed pursuant
42 to this section shall be distributed to all municipalities on the ratio that the population of each
43 municipality bears to the total population of the county. The average per capita sales tax
44 distribution shall be calculated by dividing the sum of the total sales tax revenue derived from
45 the tax imposed pursuant to sections 66.600 to 66.630 by the total population of the county.
46 Population of each municipality, of the unincorporated area of the county, and the total
47 population of the county shall be determined on the basis of the most recent federal decennial
48 census. For the purposes of this subsection, any city, town, village or the unincorporated area
49 of the county shall be considered a municipality.

50 5. In any county adopting an additional sales tax pursuant to the provisions of this
51 section and selecting the method of distribution provided in this subsection, the proceeds from
52 the sales tax imposed pursuant to this section, less one percent collection cost, shall be
53 distributed to all cities, towns and villages, and the unincorporated areas of the county in group
54 B and to such cities, towns and villages in group A as necessary so that no city, town, or village
55 in group A receives from the combined proceeds of both the sales tax imposed pursuant to this
56 section and the sales tax imposed pursuant to sections 66.600 to 66.630, less than the per capita
57 amount received by the cities, towns and villages and the unincorporated area of the county in
58 group B receives from the total proceeds from both sales taxes.

59 6. The governing body of any county which is imposing a sales tax under the provisions
60 of sections 66.600 to 66.630 may on its own motion and shall, upon petitions filed with the
61 governing body of the county signed by a number of qualified voters residing in the county equal
62 to at least eight percent of the votes cast in the county at the next preceding gubernatorial
63 election, submit to the qualified voters of the county a proposal to change the method of
64 distribution of sales tax proceeds from the manner provided in subsection 2 of section 66.620
65 to the method provided in this subsection. The ballot of submission shall be in substantially the
66 following form:

67 Shall the proceeds from the county sales tax be distributed among the county of
68 ..... and the various cities, towns and villages therein in the manner provided in
69 subdivisions (1) and (2) of subsection 6 of section 67.581, RSMo, in lieu of the present manner
70 of distribution?

71 ☐ YES ☐ NO

72

73 If a majority of the votes cast on the proposal by the qualified voters of the county voting thereon
74 are in favor of the proposal, the sales tax imposed by the county under the provisions of sections

75 66.600 to 66.630 shall be distributed in the manner provided in this subsection and not in the
76 manner provided in subsection 2 of section 66.620. If a majority of the votes cast by the
77 qualified voters of the county voting thereon are opposed to the proposal, then the governing
78 body of the county shall have no power to order the proceeds from the sales tax imposed
79 pursuant to the provisions of sections 66.600 to 66.630 in the manner provided in this subsection
80 in lieu of the method provided in subsection 2 of section 66.620, unless and until a proposal
81 authorizing such method of distribution is submitted to and approved by the voters of the county.
82 If the voters approve the change in the method of distribution of the sales tax proceeds in the
83 manner provided in this subsection, the county clerk of the county shall notify the director of
84 revenue of the change in the method of distribution within ten days after adoption of the proposal
85 and shall inform the director of the effective date of the change in the method of distribution,
86 which shall be on the first day of the third calendar quarter after the director of revenue receives
87 notice. After the effective date of the change in the manner of distribution, the director of
88 revenue shall distribute the proceeds of the sales tax imposed by such county under the
89 provisions of sections 66.600 to 66.630 in the manner provided in this subsection in lieu of the
90 manner of distribution provided in subsection 2 of section 66.620. The proceeds of the sales tax
91 imposed under the provisions of sections 66.600 to 66.630 in any county which elects to have
92 the proceeds distributed in the manner provided in this subsection shall be distributed in the
93 following manner:
94 (1) The proceeds from the sales taxes shall be distributed to the cities, towns and villages
95 in group A and to the cities, towns and villages, and the county in group B as defined in section
96 66.620 in the manner provided in subsection 2 of section 66.620, until an amount equal to the
97 total amount distributed under section 66.620, for the twelve-month period immediately
98 preceding the effective date of the tax levied pursuant to the provisions of this section has been
99 distributed;
100 (2) All moneys received in excess of the total amount distributed under section 66.620
101 for the twelve-month period immediately preceding the effective date of the tax levied pursuant
102 to the provisions of this section shall be distributed to all cities, towns and villages and to the
103 county on the basis that the population of each city, town or village, and in the case of the county
104 the basis that the population of the unincorporated area of the county, bears to the total
105 population of the county. The average per capita sales tax distribution shall be calculated by
106 dividing the sum of the remaining amount of the total sales tax revenues by the total population
107 of the county. Population of each city, town or village, of the unincorporated area of the county,
108 and the total population of the county shall be determined on the basis of the most recent federal
109 decennial census.

7. No municipality incorporated after the adoption of the tax authorized by this section shall be included as other than part of the unincorporated area of the county nor receive any share of either the proceeds from the tax levied pursuant to the provisions of this section or the tax levied pursuant to the provisions of sections 66.600 to 66.630 unless, at the time of incorporation, such municipality had a population of ten thousand or more.

8. The county sales tax imposed pursuant to this section on the purchase and sale of motor vehicles shall not be collected and remitted by the seller, but shall be collected by the director of revenue at the time application is made for a certificate of title, if the address of the applicant is within the county imposing the additional sales tax. **[**The amounts so collected, less one percent collection cost, shall be deposited in the county sales tax trust fund to be distributed in accordance with section 66.620. The purchase or sale of motor vehicles shall be deemed to be consummated at the address of the applicant for a certificate of title.**]**

9. No tax shall be imposed pursuant to this section for the purpose of funding in whole or in part the construction, operation or maintenance of a sports stadium, field house, indoor or outdoor recreational facility, center, playing field, parking facility or anything incidental or necessary to a complex suitable for any type of professional sport, either upon, above or below the ground.

10. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. If any county abolishes the tax, the county shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal and the director of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of the tax in such county, the director of revenue shall remit the balance in the account to the county and close the account of that county. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the county.

67.582. 1. The governing body of any county, except a county of the first class with a charter form of government with a population of greater than four hundred thousand inhabitants, is hereby authorized to impose, by ordinance or order, a sales tax in the amount of up to one-half of one percent on all retail sales made in such county which are subject to taxation under the provisions of sections 144.010 to 144.525 for the purpose of providing law enforcement services for such county. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no ordinance or order imposing a sales tax under the provisions

of this section shall be effective unless the governing body of the county submits to the voters of the county, at a county or state general, primary or special election, a proposal to authorize the governing body of the county to impose a tax.

2. The ballot of submission shall contain, but need not be limited to, the following language:

(1) If the proposal submitted involves only authorization to impose the tax authorized by this section the ballot shall contain substantially the following:

Shall the county of ..... (county's name) impose a countywide sales tax of ..... (insert amount) for the purpose of providing law enforcement services for the county?

☐ YES ☐ NO

If you are in favor of the question, place an "X" in the box opposite "Yes". If you are opposed to the question, place an "X" in the box opposite "No"; or

(2) If the proposal submitted involves authorization to enter into agreements to form a regional jail district and obligates the county to make payments from the tax authorized by this section the ballot shall contain substantially the following:

Shall the county of ..... (county's name) be authorized to enter into agreements for the purpose of forming a regional jail district and obligating the county to impose a countywide sales tax of ..... (insert amount) to fund ..... dollars of the costs to construct a regional jail and to fund the costs to operate a regional jail, with any funds in excess of that necessary to construct and operate such jail to be used for law enforcement purposes?

☐ YES ☐ NO

If you are in favor of the question, place an "X" in the box opposite "Yes". If you are opposed to the question, place an "X" in the box opposite "No".

If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of the proposal submitted pursuant to subdivision (1) of this subsection, then the ordinance or order and any amendments thereto shall be in effect **[**on the first day of the second quarter immediately following the election approving the proposal**] as provided by section 32.087**. If the constitutionally required percentage of the voters voting thereon are in favor of the proposal submitted pursuant to subdivision (2) of this subsection, then the ordinance or order and any amendments thereto shall be in effect **[**on the first day of the second quarter immediately following the election approving the proposal**] as provided by section 32.087**. If a proposal receives less than the required majority, then the governing body of the county shall have no power to impose the sales tax herein authorized unless and until the governing body of the

county shall again have submitted another proposal to authorize the governing body of the county to impose the sales tax authorized by this section and such proposal is approved by the required majority of the qualified voters voting thereon. However, in no event shall a proposal pursuant to this section be submitted to the voters sooner than twelve months from the date of the last proposal pursuant to this section.

3. All revenue received by a county from the tax authorized under the provisions of this section shall be deposited in a special trust fund and shall be used solely for providing law enforcement services for such county for so long as the tax shall remain in effect. Revenue placed in the special trust fund may also be utilized for capital improvement projects for law enforcement facilities and for the payment of any interest and principal on bonds issued for said capital improvement projects.

4. Once the tax authorized by this section is abolished or is terminated by any means, all funds remaining in the special trust fund shall be used solely for providing law enforcement services for the county. Any funds in such special trust fund which are not needed for current expenditures may be invested by the governing body in accordance with applicable laws relating to the investment of other county funds.

5. All sales taxes collected by the director of revenue under this section on behalf of any county**[**, less one percent for cost of collection which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in section 32.087,**]** shall be deposited in a special trust fund, which is hereby created, to be known as the "County Law Enforcement Sales Tax Trust Fund". **[**The moneys in the county law enforcement sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.**]** The director of revenue shall keep accurate records of the amount of money in the trust and which was collected in each county imposing a sales tax under this section, and the records shall be open to the inspection of officers of the county and the public. Not later than the tenth day of each month the director of revenue shall distribute all moneys deposited in the trust fund during the preceding month to the county which levied the tax; such funds shall be deposited with the county treasurer of each such county, and all expenditures of funds arising from the county law enforcement sales tax trust fund shall be by an appropriation act to be enacted by the governing body of each such county. Expenditures may be made from the fund for any law enforcement functions authorized in the ordinance or order adopted by the governing body submitting the law enforcement tax to the voters.

6. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. If any county abolishes the tax, **the repeal of such tax shall become effective as provided in**

80 **section 32.087.** The county shall notify the director of revenue of the action at least ninety days
81 prior to the effective date of the repeal and the director of revenue may order retention in the trust
82 fund, for a period of one year, of two percent of the amount collected after receipt of such notice
83 to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts
84 deposited to the credit of such accounts. After one year has elapsed after the effective date of
85 abolition of the tax in such county, the director of revenue shall remit the balance in the account
86 to the county and close the account of that county. The director of revenue shall notify each
87 county of each instance of any amount refunded or any check redeemed from receipts due the
88 county.
89 7. Except as modified in this section, all provisions of sections 32.085 **[**and**] to** 32.087
90 shall apply to the tax imposed under this section.

67.583. 1. The governing body of any county of the second class with a population of
2 more than forty thousand but less than sixty thousand and which contains institutions operated
3 by the department of corrections and by the department of mental health is hereby authorized to
4 impose, by ordinance or order, a sales tax in the amount of one-eighth of one percent on all retail
5 sales made in such county which are subject to taxation under the provisions of sections 144.010
6 to 144.525. The tax authorized by this section shall be in addition to any and all other sales taxes
7 allowed by law; provided, however, that no ordinance or order imposing a sales tax under the
8 provisions of this section shall be effective unless the governing body of the county submits to
9 the voters of the county, at a county or state general, primary or special election, a proposal to
10 authorize the governing body of the county to impose a tax.
11 2. The ballot of submission shall contain, but need not be limited to, the following
12 language:
13 Shall the county of ..... (county's name) impose a countywide sales tax of .....
14 (insert amount) for the purpose of providing retirement and health care benefits for county
15 employees and their dependents?
16 ☐ YES ☐ NO
17
18 If you are in favor of the question, place an "X" in the box opposite "Yes". If you are opposed
19 to the question, place an "X" in the box opposite "No".
20
21 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
22 of the proposal, then the ordinance or order and any amendments thereto shall be in effect. If a
23 majority of the votes cast by the qualified voters voting are opposed to the proposal, then the
24 governing body of the county shall have no power to impose the sales tax herein authorized
25 unless and until the governing body of the county shall again have submitted another proposal

26 to authorize the governing body of the county to impose the sales tax authorized by this section
27 and such proposal is approved by a majority of the qualified voters voting thereon. However,
28 in no event shall a proposal pursuant to this section be submitted to the voters sooner than twelve
29 months from the date of the last proposal pursuant to this section.
30 3. All revenue received by a county from the tax authorized under the provisions of this
31 section shall be deposited in a special trust fund and shall be used solely for providing retirement
32 and health care benefits for county employees and their dependents.
33 4. All sales taxes collected by the director of revenue under this section on behalf of any
34 county**[**, less one percent for cost of collection which shall be deposited in the state's general
35 revenue fund after payment of premiums for surety bonds as provided in section 32.087,**]** shall
36 be deposited in a special trust fund, which is hereby created, to be known as the "County
37 Employee Benefit Sales Tax Trust Fund". **[**The moneys in the county employee benefit sales tax
38 trust fund shall not be deemed to be state funds and shall not be commingled with any funds of
39 the state.**]** The director of revenue shall keep accurate records of the amount of money in the
40 trust and which was collected in each county imposing a sales tax under this section, and the
41 records shall be open to the inspection of officers of the county and the public. Not later than
42 the tenth day of each month, the director of revenue shall distribute all moneys deposited in the
43 trust fund during the preceding month to the county which levied the tax. Such funds shall be
44 deposited with the county treasurer of each such county, and all expenditures of funds arising
45 from the county employee benefit sales tax trust fund shall be for the provision of retirement
46 benefits or health care benefits for employees of the county and their dependents and for no other
47 purpose.
48 5. The director of revenue may authorize the state treasurer to make refunds from the
49 amounts in the trust fund and credited to any county for erroneous payments and overpayments
50 made and may redeem dishonored checks and drafts deposited to the credit of such counties. If
51 any county abolishes the tax, the county shall notify the director of revenue of the action at least
52 ninety days prior to the effective date of the repeal and the director of revenue may order
53 retention in the trust fund, for a period of one year, of two percent of the amount collected after
54 receipt of such notice to cover possible refunds or overpayment of the tax and to redeem
55 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed
56 after the effective date of abolition of the tax in such county, the director of revenue shall remit
57 the balance in the account to the county and close the account of that county. The director of
58 revenue shall notify each county of each instance of any amount refunded or any check redeemed
59 from receipts due the county.
60 6. Except as modified in this section, all provisions of sections 32.085 **[**and**] to** 32.087
61 shall apply to the tax imposed under this section.

67.584. 1. The governing body of any county of the first classification with more than one hundred ninety-eight thousand but less than one hundred ninety-eight thousand two hundred inhabitants is hereby authorized to impose, by ordinance or order, a sales tax in the amount of up to one-half percent on all retail sales made in such county which are subject to taxation pursuant to sections 144.010 to 144.525 for the purpose of providing law enforcement services for such county. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no ordinance or order imposing a sales tax pursuant to this section shall be effective unless the governing body of the county submits to the voters of the county, at a county or state general, primary, or special election, a proposal to authorize the governing body of the county to impose a tax.

2. If the proposal submitted involves only authorization to impose the tax authorized by this section, the ballot of submission shall contain, but need not be limited to, the following language:

Shall the county of ..... (county's name) impose a countywide sales tax of ..... (insert amount) for the purpose of providing law enforcement services for the county?

☐ YES ☐ NO

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

If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of the proposal submitted pursuant to this subsection, then the ordinance or order and any amendments thereto shall be in effect **[**on the first day of the second quarter immediately following the election approving the proposal**] as provided by section 32.087**. If a proposal receives less than the required majority, then the governing body of the county shall have no power to impose the sales tax herein authorized unless and until the governing body of the county shall again have submitted another proposal to authorize the governing body of the county to impose the sales tax authorized by this section and such proposal is approved by the required majority of the qualified voters voting thereon. However, in no event shall a proposal pursuant to this section be submitted to the voters sooner than twelve months from the date of the last proposal pursuant to this section.

3. Twenty-five percent of the revenue received by a county treasurer from the tax authorized pursuant to this section shall be deposited in a special trust fund and shall be used solely by a prosecuting attorney's office for such county for so long as the tax shall remain in effect. The remainder of revenue shall be deposited in the county law enforcement sales tax trust fund established pursuant to section 67.582 of the county levying the tax pursuant to this section.

37 The revenue derived from the tax imposed pursuant to this section shall be used for public law
38 enforcement services only. No revenue derived from the tax imposed pursuant to this section
39 shall be used for any private contractor providing law enforcement services or for any private
40 jail.
41 4. Once the tax authorized by this section is abolished or is terminated by any means, all
42 funds remaining in the prosecuting attorney's trust fund shall be used solely by a prosecuting
43 attorney's office for the county. Any funds in such special trust fund which are not needed for
44 current expenditures may be invested by the governing body in accordance with applicable laws
45 relating to the investment of other county funds.
46 5. All sales taxes collected by the director of revenue pursuant to this section on behalf
47 of any county**[**, less one percent for cost of collection which shall be deposited in the state's
48 general revenue fund after payment of premiums for surety bonds as provided in section 32.087,**]**
49 shall be deposited in a special trust fund, which is hereby created, to be known as the "County
50 Prosecuting Attorney's Office Sales Tax Trust Fund" or in the county law enforcement sales tax
51 trust fund, pursuant to the deposit ratio in subsection 3 of this section. **[**The moneys in the trust
52 funds shall not be deemed to be state funds and shall not be commingled with any funds of the
53 state.**]** The director of revenue shall keep accurate records of the amount of money in the trusts
54 and which was collected in each county imposing a sales tax pursuant to this section, and the
55 records shall be open to the inspection of officers of the county and the public. Not later than
56 the tenth day of each month the director of revenue shall distribute all moneys deposited in the
57 trust funds during the preceding month to the county which levied the tax; such funds shall be
58 deposited with the county treasurer of each such county, and all expenditures of funds arising
59 from either trust fund shall be by an appropriation act to be enacted by the governing body of
60 each such county. Expenditures may be made from the funds for any functions authorized in the
61 ordinance or order adopted by the governing body submitting the tax to the voters.
62 6. The director of revenue may authorize the state treasurer to make refunds from the
63 amounts in the trust funds and credited to any county for erroneous payments and overpayments
64 made, and may redeem dishonored checks and drafts deposited to the credit of such counties.
65 If any county abolishes the tax, **the repeal of such tax shall become effective as provided in**
66 **section 32.087.** The county shall notify the director of revenue of the action at least ninety days
67 before the effective date of the repeal and the director of revenue may order retention in the
68 appropriate trust fund, for a period of one year, of two percent of the amount collected after
69 receipt of such notice to cover possible refunds or overpayments of the tax and to redeem
70 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed
71 after the effective date of abolition of the tax in such county, the director of revenue shall remit
72 the balance in the account to the county and close the account of that county established pursuant

to this section. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the county.

7. Except as modified in this section, all provisions of sections 32.085 **[**and**] to** 32.087 shall apply to the tax imposed pursuant to this section.

67.712. 1. All sales taxes collected by the director of revenue under sections 67.700 to 67.727 on behalf of any county**[**, less one percent for the cost of collection, which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in section 32.087,**]** shall be deposited with the state treasurer in a special trust fund, which is hereby created, to be known as the "County Alternate Sales Tax Trust Fund". **[**The moneys in the county alternate sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.**]** The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each county imposing a sales tax under sections 67.700 to 67.727, and the records shall be open to the inspection of officers of each county and the general public. Not later than the tenth day of each month the director of revenue shall distribute all moneys deposited in the trust fund during the preceding month by distributing to the county treasurer, or such other officer as may be designated by the county ordinance or order, of each county imposing the tax authorized by sections 67.700 to 67.727, the sum, as certified by the director of revenue, due the county.

2. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. If any county repeals the tax authorized by sections 67.700 to 67.727, the county shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal and **the repeal shall be effective as provided in by section 32.087.** The director of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of such tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of repeal of the tax authorized by sections 67.700 to 67.727 in such county, the director of revenue shall authorize the state treasurer to remit the balance in the account to the county and close the account of that county. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the county.

3. Except as modified in sections 67.700 to 67.727, all provisions of sections 32.085 **[**and**] to** 32.087 shall apply to the tax imposed under sections 67.700 to 67.727.

67.713. 1. Notwithstanding the provisions of section 67.712, as to the disposition of any other sales tax imposed under the provisions of sections 67.700 to 67.727, one-fifth of the sales

taxes collected by the director of revenue from the tax authorized by section 67.701 on behalf of any county of the first class having a charter form of government and having a population of nine hundred thousand or more**[**, less one percent for cost of collection, which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in sections 67.700 to 67.727,**]** shall be deposited in a special trust fund, which is hereby created, to be known as the "County-Municipal Storm Water and Public Works Sales Tax Trust Fund". **[**The moneys in the county-municipal storm water and public works sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.**]** The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each county and the records shall be open to the inspection of officers of the county and of the municipalities within the county and the public. Not later than the tenth day of each month, the director of the department of revenue shall distribute all moneys deposited in the county-municipal storm water and public works sales tax trust fund during the preceding month to the county which levied the tax, and the municipalities which are located wholly or partially within such county as follows:

(1) The county which levied the sales tax shall receive a percentage of the distributable revenue equal to the percentage ratio that the population of the unincorporated areas of the county bears to the total population of the county;

(2) Each municipality located wholly within the county which levied the tax shall receive a percentage of the distributable revenue equal to the percentage ratio that the population of such municipality bears to the total population of the county; and

(3) Each municipality located partially within the county which levied the tax shall receive a percentage of the distributable revenue equal to the percentage ratio that the population of that part of the municipality located within the county bears to the total population of the county.

2. The director of revenue may make refunds from the amounts in the county-municipal storm water and public works sales tax trust fund and credited to any county or municipality for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such county or municipality. If any county abolishes the tax, the county shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal and **the repeal shall be effective as provided by section 32.087.** The director of revenue may order retention in the county-municipal storm water and public works sales tax trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of the tax in such county, the director of revenue shall remit the balance in the account

39 to the county or municipality and close the account of that county or municipality. The director
40 of revenue shall notify each county or municipality of each instance of any amount refunded or
41 any check redeemed from receipts due the county or municipality.
42 3. If the governing body of any municipality located wholly or partially within the county
43 so requests by resolution, no funds shall be expended from the proceeds of any tax imposed
44 under section 67.701 within the corporate boundaries of the requesting municipality for the
45 construction, reconstruction or widening of any road established or to be established pursuant
46 to section 137.558, the total cost of which exceeds one hundred thousand dollars unless: (a) a
47 public hearing is first held at a place near such proposed action; and (b) plans and specifications
48 of such proposed action are prepared and a cost-benefit analysis prepared in accordance with
49 accepted accounting principles of such proposed action is presented to such public hearing. Such
50 cost-benefit analysis and its work papers shall be a public document and subject to inspection
51 as provided in chapter 610. The provisions of this subsection shall not apply to proposed
52 projects in unincorporated areas of the county.

67.729. 1. Any county except any first class county having a charter form of government
2 and having a population of nine hundred thousand or more may, in the same manner and by the
3 same procedure and subject to the same penalties as set out in sections 67.700 to 67.727, impose
4 a sales tax of not more than one-tenth of one percent for the purpose of funding storm water
5 control and public works projects other than stadiums or other sports facilities. This sales tax
6 shall be in addition to any other sales tax authorized by law.
7 2. Notwithstanding the provisions of section 67.712 as to the disposition of any other
8 sales tax imposed under the provisions of sections 67.700 to 67.727, all sales taxes collected by
9 the director of revenue from the tax authorized by this section on behalf of any county**[**, less one
10 percent for cost of collection, which shall be deposited in the state's general revenue fund after
11 payment of premiums for surety bonds as provided in section 32.087,**]** shall be deposited with
12 the state treasurer in a special trust fund, which is hereby created, to be known as the "County
13 Storm Water and Public Works Sales Tax Trust Fund". **[**The moneys in the county storm water
14 and public works sales tax trust fund shall not be deemed to be state funds and shall not be
15 commingled with any funds of the state.**]** The director of revenue shall keep accurate records of
16 the amount of money in the trust fund which was collected in each county imposing a sales tax
17 under this section and the records shall be open to the inspection of officers of the county and
18 the public. Not later than the tenth day of each month the director of revenue shall distribute all
19 moneys deposited in the county storm water and public works sales tax trust fund during the
20 preceding month to the county which levied the tax, and the municipalities which are located
21 wholly or partially within such county as follows:

22 (1) The county which levied the sales tax shall receive a percentage of the distributable
23 revenue equal to the percentage ratio that the population of the unincorporated areas of the
24 county bears to the total population of the county;
25 (2) Each municipality located wholly within the county which levied the tax shall receive
26 a percentage of the distributable revenue equal to the percentage ratio that the population of such
27 municipality bears to the total population of the county; and
28 (3) Each municipality located partially within the county which levied the tax shall
29 receive a percentage of the distributable revenue equal to the percentage ratio that the population
30 of that part of the municipality located within the county bears to the total population of the
31 county.
32 3. The director of revenue may authorize the state treasurer to make refunds from the
33 amounts in the county storm water and public works sales tax trust fund and credited to any
34 county for erroneous payments and overpayments made, and may redeem dishonored checks and
35 drafts deposited to the credit of such counties. If any county abolishes the tax, the county shall
36 notify the director of revenue of the action at least ninety days prior to the effective date of the
37 repeal and **the repeal shall be effective as provided by section 32.087.** The director of revenue
38 may order retention in the county storm water and public works sales tax trust fund, for a period
39 of one year, of two percent of the amount collected after receipt of such notice to cover possible
40 refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the
41 credit of such accounts. After one year has elapsed after the effective date of abolition of the tax
42 in such county, the director of revenue shall authorize the state treasurer to remit the balance in
43 the account to the county and close the account of that county. The director of revenue shall
44 notify each county of each instance of any amount refunded or any check redeemed from receipts
45 due the county.

67.737. Except as modified in sections 67.730 to 67.739, all provisions of sections
2 32.085 **[**and**] to** 32.087 shall apply to the tax imposed under sections 67.730 to 67.739.

67.738. 1. All sales taxes collected by the director of revenue under sections 67.730 to
2 67.739 on behalf of any county**[**, less one percent for the cost of collection, which shall be
3 deposited in the state's general revenue fund after payment of premiums for surety bonds as
4 provided in section 32.087,**]** shall be deposited with the state treasurer in a special trust fund,
5 which is hereby created, to be known as the "County Capital Improvement Bond Sales Tax Trust
6 Fund". **[**The moneys in the county capital improvement bond sales tax trust fund shall not be
7 deemed to be state funds and shall not be commingled with any funds of the state.**]** The director
8 of revenue shall keep accurate records of the amount of money in the trust fund which was
9 collected in each county imposing a sales tax under sections 67.730 to 67.739, and the records
10 shall be open to the inspection of officers of each county and the general public. Not later than

the tenth day of each month the director of revenue shall distribute all moneys deposited in the trust fund during the preceding month by distributing to the county treasurer, or such other officer as may be designated by the county ordinance or order, of each county imposing the tax authorized by sections 67.730 to 67.739, the sum, as certified by the director of revenue, due the county.

2. The director of revenue may authorize the state treasurer to make refund from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. If any county repeals the tax authorized by sections 67.730 to 67.739, the county shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal or expiration and **the repeal shall be effective as provided by section 32.087.** The director of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of such tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of repeal or expiration of the tax authorized by sections 67.730 to 67.739 in such county, the director of revenue shall remit the balance in the account to the county and close the account of that county. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the county.

67.745. 1. Any county of the third classification without a township form of government and with more than eleven thousand seven hundred fifty but fewer than eleven thousand eight hundred fifty inhabitants may impose a sales tax throughout the county for public recreational projects and programs, but the sales tax authorized by this section shall not become effective unless the governing body of such county submits to the qualified voters of the county a proposal to authorize the county to impose the sales tax.

2. The ballot submission shall be in substantially the following form:

Shall the County of ..... impose a sales tax of up to one percent for the purpose of funding the financing, acquisition, construction, operation, and maintenance of recreational projects and programs, including the acquisition of land for such purposes?

☐ YES ☐ NO

3. If approved by a majority of qualified voters **voting on the issue** in the county, the governing body of the county shall appoint a board of directors consisting of nine members. Of the initial members appointed to the board, three members shall be appointed for a term of three years, three members shall be appointed for a term of two years, and three members shall be appointed for a term of one year. After the initial appointments, board members shall be appointed to three-year terms.

4. The sales tax may be imposed at a rate of up to one percent on the receipts from the retail sale of all tangible personal property or taxable service within the county, if such property and services are subject to taxation by the state of Missouri under sections 144.010 to 144.525.

5. All revenue collected from the sales tax under this section by the director of revenue on behalf of a county**[**, less one percent for the cost of collection which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in section 32.087,**]** shall be deposited with the state treasurer in a special trust fund, which is hereby created, to be known as the "County Recreation Sales Trust Fund". **[**Moneys in the fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.**]** The director of revenue shall keep accurate records of the amount of money in the trust fund collected in each county imposing a sales tax under this section, and the records shall be open to the inspection of officers of such county and the general public. Not later than the tenth day of each calendar month, the director of revenue shall distribute all moneys deposited in the trust fund during the preceding calendar month by distributing to the county treasurer, or such officer as may be designated by county ordinance or order, of each county imposing the tax under this section the sum due the county as certified by the director of revenue.

6. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. Each county shall notify the director of revenue at least ninety days prior to the effective date of the expiration of the sales tax authorized by this section and **the repeal shall be effective as provided by section 32.087.** The director of revenue may order retention in the trust fund for a period of one year of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayments of such tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the date of expiration of the tax authorized by this section in a county, the director of revenue shall remit the balance in the account to the county and close the account of such county. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due such county.

7. The tax authorized under this section may be imposed in accordance with this section by a county in addition to or in lieu of the tax authorized in sections 67.750 to 67.780.

8. The sales tax imposed under this section shall expire twenty years from the effective date thereof unless an extension of the tax is submitted to and approved by the qualified voters in the county in the manner provided in this section. Each extension of the sales tax shall be for a period of ten years.

9. The provisions of this section shall not in any way affect or limit the powers granted to any county to establish, maintain, and conduct parks and other recreational grounds for public recreation.

10. Except as modified in this section, the provisions of sections 32.085 **[**and**] to** 32.087 shall apply to the tax imposed under this section.

67.782. 1. Any county of the third class having a population of more than ten thousand and less than fifteen thousand and any county of the second class having a population of more than fifty-eight thousand and less than seventy thousand adjacent to such third class county, both counties making up the same judicial circuit, may jointly impose a sales tax throughout each of their respective counties for public recreational purposes including the financing, acquisition, construction, operation and maintenance of recreational projects and programs, but the sales taxes authorized by this section shall not become effective unless the governing body of each such county submits to the voters of their respective counties a proposal to authorize the counties to impose the sales tax.

2. The ballot of submission shall be in substantially the following form:

Shall the County of ..... impose a sales tax of ..... percent in conjunction with the county of ..... for the purpose of funding the financing, acquisition, construction, operation and maintenance of recreational projects and programs, including the acquisition of land for such purposes?

☐ YES ☐ NO

If a separate majority of the votes cast on the proposal by the qualified voters voting thereon in each county are in favor of the proposal, then the tax shall be in effect in both counties. If a majority of the votes cast by the qualified voters voting thereon in either county are opposed to the proposal, then the governing body of neither county shall have power to impose the sales tax authorized by this section unless or until the governing body of the county that has not approved the tax shall again have submitted another proposal to authorize the governing body to impose the tax, and the proposal is approved by a majority of the qualified voters voting thereon in that county.

3. The sales tax may be imposed at a rate of one percent on the receipts from the sale at retail of all tangible personal property or taxable service at retail within the county adopting such tax, if such property and services are subject to taxation by the state of Missouri under the provisions of sections 144.010 to 144.525.

4. All sales taxes collected by the director of revenue under this section on behalf of any county**[**, less one percent for the cost of collection, which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in section 32.087,**]** shall

be deposited with the state treasurer in a special trust fund, which is hereby created, to be known as the "County Recreation Sales Tax Trust Fund". **[**The moneys in the county recreation sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.**]** The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each county imposing a sales tax under this section, and the records shall be open to the inspection of officers of each county and the general public. Not later than the tenth day of each month, the director of revenue shall distribute all moneys deposited in the trust fund during the preceding month by distributing to the county treasurer, or such other officer as may be designated by the county ordinance or order, of each county imposing the tax authorized by this section, the sum, as certified by the director of revenue, due the county.

5. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. Each county shall notify the director of revenue at least ninety days prior to the effective date of the expiration of the sales tax authorized by this section and **the repeal shall be effective as provided by section 32.087.** The director of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of such tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the date of expiration of the tax authorized by this section in such county, the director of revenue shall remit the balance in the account to the county and close the account of that county. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the county.

6. The tax authorized by this section may be imposed, in accordance with this section, by a county in addition to or in lieu of the tax authorized by sections 67.750 to 67.780.

7. Any county imposing a sales tax pursuant to the provisions of this section may contract with the authority of any other county or with any city or political subdivision for the financing, acquisition, operation, construction, maintenance, or utilization of any recreation facility or project or program funded in whole or in part from revenues derived from the tax levied pursuant to the provisions of this section.

8. The sales tax imposed pursuant to the provisions of this section shall expire twenty-five years from the effective date thereof unless an extension of the tax is submitted to and approved by the voters in each county in the manner provided in this section. Each extension of the sales tax shall be for a period of ten years.

9. The governing body of each of the counties imposing a sales tax under the provisions of this section may cooperate with the governing body of any county or other political subdivision of this state in carrying out the provisions of this section, and may establish and conduct jointly a system of public recreation. The respective governing bodies administering programs jointly may provide by agreement among themselves for all matters connected with the programs and determine what items of cost and expense shall be paid by each.

10. The provisions of this section shall not in any way repeal, affect or limit the powers granted to any county to establish, maintain and conduct parks and other recreational grounds for public recreation.

11. Except as modified in this section, all provisions of sections 32.085 **[**and**] to** 32.087 shall apply to the tax imposed under this section.

67.799. 1. A regional recreational district may, by a majority vote of its board of directors, impose an annual property tax for the establishment and maintenance of public parks and recreational facilities and grounds within the boundaries of the regional recreational district not to exceed sixty cents per year on each one hundred dollars of assessed valuation on all property within the district, except that no such tax shall become effective unless the board of directors of the district submits to the voters of the district, at a county or state general, primary or special election, a proposal to authorize the tax.

2. The question shall be submitted in substantially the following form:

Shall a ..... cent tax per one hundred dollars assessed valuation be levied for public parks and recreational facilities?

☐ YES ☐ NO

If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of the proposal, then the tax shall become effective. If a majority of the votes cast by the qualified voters voting are opposed to the proposal, then the board of directors shall have no power to impose the tax unless and until the board of directors of the district submits another proposal to authorize the tax and such proposal is approved by a majority of the qualified voters voting thereon.

3. The property tax authorized in subsections 1 and 2 of this section shall be levied and collected in the same manner as other ad valorem property taxes are levied and collected.

4. (1) A regional recreational district may, by a majority vote of its board of directors, impose a tax not to exceed one-half of one cent on all retail sales subject to taxation pursuant to sections 144.010 to 144.525 for the purpose of funding the creation, operation and maintenance of public parks, recreational facilities and grounds within the boundaries of a regional recreational district. The tax authorized by this subsection shall be in addition to all other sales

26 taxes allowed by law. No tax pursuant to this subsection shall become effective unless the board
27 of directors submits to the voters of the district, at a county or state general, primary or special
28 election, a proposal to authorize the tax, and such tax shall become effective only after the
29 majority of the voters voting on such tax approve such tax.
30 (2) In the event the district seeks to impose a sales tax pursuant to this subsection, the
31 question shall be submitted in substantially the following form:
32 Shall a ..... cent sales tax be levied on all retail sales within the district for public parks
33 and recreational facilities?
34 ☐ YES ☐ NO
35
36 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
37 of the proposal, then the tax shall become effective. If a majority of the votes cast by the
38 qualified voters voting are opposed to the proposal, then the board of directors shall have no
39 power to impose the tax unless and until another proposal to authorize the tax is submitted to the
40 voters of the district and such proposal is approved by a majority of the qualified voters voting
41 thereon. The provisions of sections 32.085 **[**and**]** **to** 32.087 shall apply to any tax approved
42 pursuant to this subsection.
43 5. As used in this section, "qualified voters" or "voters" means any individuals residing
44 within the proposed district who are eligible to be registered voters and who have registered to
45 vote under chapter 115 or, if no individuals eligible and registered to vote reside within the
46 proposed district, all of the owners of real property located within the proposed district who have
47 unanimously petitioned for or consented to the adoption of an ordinance by the governing body
48 imposing a tax authorized in this section. If the owner of the property within the proposed
49 district is a political subdivision or corporation of the state, the governing body of such political
50 subdivision or corporation shall be considered the owner for purposes of this section.

67.997. 1. The governing body of any county of the third classification without a
2 township form of government and with more than eighteen thousand one hundred but fewer than
3 eighteen thousand two hundred inhabitants may impose, by order or ordinance, a sales tax on all
4 retail sales made within the county which are subject to sales tax under chapter 144. The tax
5 authorized in this section shall not exceed one-fourth of one percent, and shall be imposed solely
6 for the purpose of funding senior services and youth programs provided by the county. One-half
7 of all revenue collected under this section**[**, less one-half the cost of collection,**]** shall be used
8 solely to fund any service or activity deemed necessary by the senior service tax commission
9 established in this section, and one-half of all revenue collected under this section**[**, less one-half
10 the cost of collection,**]** shall be used solely to fund all youth programs administered by an
11 existing county community task force. The tax authorized in this section shall be in addition to

all other sales taxes imposed by law, and shall be stated separately from all other charges and taxes. The order or ordinance shall not become effective unless the governing body of the county submits to the voters residing within the county at a state general, primary, or special election a proposal to authorize the governing body of the county to impose a tax under this section.

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

Shall ..... (insert the name of the county) impose a sales tax at a rate of ..... (insert rate of percent) percent, with half of the revenue from the tax, less one-half the cost of collection, to be used solely to fund senior services provided by the county and half of the revenue from the tax, less one-half the cost of collection, to be used solely to fund youth programs provided by the county?

☐ YES ☐ NO

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

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the tax shall become effective on the first day of the second calendar quarter immediately following the approval of the tax or notification to the department of revenue if such tax will be administered by the department of revenue. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the question, then the tax shall not become effective unless and until the question is resubmitted under this section to the qualified voters and such question is approved by a majority of the qualified voters voting on the question.

3. **[**On or after the effective date of any tax authorized under this section, the county which imposed the tax shall enter into an agreement with the director of the department of revenue for the purpose of collecting the tax authorized in this section. On or after the effective date of the tax the director of revenue shall be responsible for the administration, collection, enforcement, and operation of the tax, and**]** Sections 32.085 **[**and**] to** 32.087 shall apply. All revenue collected under this section by the director of the department of revenue on behalf of any county**[**, except for one percent for the cost of collection which shall be deposited in the state's general revenue fund,**]** shall be deposited in a special trust fund, which is hereby created and shall be known as the "Senior Services and Youth Programs Sales Tax Trust Fund", and shall be used solely for the designated purposes. **[**Moneys in the fund shall not be deemed to be state funds, and shall not be commingled with any funds of the state.**]** The director may make refunds from the amounts in the trust fund and credited to the county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of

48 such county. Any funds in the special trust fund which are not needed for current expenditures
49 shall be invested in the same manner as other funds are invested. Any interest and moneys
50 earned on such investments shall be credited to the fund.

51 4. **[**In order to permit sellers required to collect and report the sales tax to collect the
52 amount required to be reported and remitted, but not to change the requirements of reporting or
53 remitting the tax, or to serve as a levy of the tax, and in order to avoid fractions of pennies, the
54 governing body of the county may authorize the use of a bracket system similar to that authorized
55 in section 144.285 and notwithstanding the provisions of that section, this new bracket system
56 shall be used where this tax is imposed and shall apply to all taxable transactions.**]** Beginning
57 with the effective date of the tax, every retailer in the county shall add the sales tax to the sale
58 price, and this tax shall be a debt of the purchaser to the retailer until paid, and shall be
59 recoverable at law in the same manner as the purchase price. For purposes of this section, all
60 retail sales shall be deemed to be consummated at the place of business of the retailer.

61 5. All applicable provisions in sections 144.010 to 144.525 governing the state sales tax,
62 and section 32.057, the uniform confidentiality provision, shall apply to the collection of the tax**[**,
63 and all exemptions granted to agencies of government, organizations, and persons under sections
64 144.010 to 144.525 are hereby made applicable to the imposition and collection of the tax. The
65 same sales tax permit, exemption certificate, and retail certificate required by sections 144.010
66 to 144.525 for the administration and collection of the state sales tax shall satisfy the
67 requirements of this section, and no additional permit or exemption certificate or retail certificate
68 shall be required; except that, the director of revenue may prescribe a form of exemption
69 certificate for an exemption from the tax. All discounts allowed the retailer under the state sales
70 tax for the collection of and for payment of taxes are hereby allowed and made applicable to the
71 tax. The penalties for violations provided in section 32.057 and sections 144.010 to 144.525 are
72 hereby made applicable to violations of this section. If any person is delinquent in the payment
73 of the amount required to be paid under this section, or in the event a determination has been
74 made against the person for taxes and penalty under this section, the limitation for bringing suit
75 for the collection of the delinquent tax and penalty shall be the same as that provided in sections
76 144.010 to 144.525**]**.

77 6. The governing body of any county that has adopted the sales tax authorized in this
78 section may submit the question of repeal of the tax to the voters on any date available for
79 elections for the county. The ballot of submission shall be in substantially the following form:

80 Shall ..... (insert the name of the county) repeal the sales tax imposed
81 at a rate of ..... (insert rate of percent) percent for the purpose of funding senior services and
82 youth programs provided by the county?

83 ☐ YES ☐ NO

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

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of repeal, that repeal shall become effective **[**on December thirty-first of the calendar year in which such repeal was approved**] as provided by section 32.087**. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal, then the sales tax authorized in this section shall remain effective until the question is resubmitted under this section to the qualified voters and the repeal is approved by a majority of the qualified voters voting on the question.

7. Whenever the governing body of any county that has adopted the sales tax authorized in this section receives a petition, signed by ten percent of the registered voters of the county voting in the last gubernatorial election, calling for an election to repeal the sales tax imposed under this section, the governing body shall submit to the voters of the county a proposal to repeal the tax. If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the repeal, the repeal shall become effective **[**on December thirty-first of the calendar year in which such repeal was approved**] as provided by section 32.087**. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal, then the sales tax authorized in this section shall remain effective until the question is resubmitted under this section to the qualified voters and the repeal is approved by a majority of the qualified voters voting on the question.

8. If the tax is repealed or terminated by any means, all funds remaining in the special trust fund shall continue to be used solely for the designated purposes, and the county shall notify the director of the department of revenue of the action at least thirty days before the effective date of the repeal and the director may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of the tax in such county, the director shall remit the balance in the account to the county and close the account of that county. The director shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the county.

9. Each county imposing the tax authorized in this section shall establish a senior services tax commission to administer the portion of the sales tax revenue dedicated to providing senior services. Such commission shall consist of seven members appointed by the county commission. The county commission shall determine the qualifications, terms of office,

119 compensation, powers, duties, restrictions, procedures, and all other necessary functions of the
120 commission.

67.1300. 1. The governing body of any of the contiguous counties of the third
2 classification without a township form of government enumerated in subdivisions (1) to (5) of
3 this subsection or in any county of the fourth classification acting as a county of the second
4 classification, having a population of at least forty thousand but less than forty-five thousand
5 with a state university, and adjoining a county of the first classification with part of a city with
6 a population of three hundred fifty thousand or more inhabitants or a county of the third
7 classification with a township form of government and with a population of at least eight
8 thousand but less than eight thousand four hundred inhabitants or a county of the third
9 classification with more than fifteen townships having a population of at least twenty-one
10 thousand inhabitants or a county of the third classification without a township form of
11 government and with a population of at least seven thousand four hundred but less than eight
12 thousand inhabitants or any county of the third classification with a population greater than three
13 thousand but less than four thousand or any county of the third classification with a population
14 greater than six thousand one hundred but less than six thousand four hundred or any county of
15 the third classification with a population greater than six thousand eight hundred but less than
16 seven thousand or any county of the third classification with a population greater than seven
17 thousand eight hundred but less than seven thousand nine hundred or any county of the third
18 classification with a population greater than eight thousand four hundred sixty but less than eight
19 thousand five hundred or any county of the third classification with a population greater than
20 nine thousand but less than nine thousand two hundred or any county of the third classification
21 with a population greater than ten thousand five hundred but less than ten thousand six hundred
22 or any county of the third classification with a population greater than twenty-three thousand five
23 hundred but less than twenty-three thousand seven hundred or a county of the third classification
24 with a population greater than thirty-three thousand but less than thirty-four thousand or a county
25 of the third classification with a population greater than twenty thousand eight hundred but less
26 than twenty-one thousand or a county of the third classification with a population greater than
27 fourteen thousand one hundred but less than fourteen thousand five hundred or a county of the
28 third classification with a population greater than twenty thousand eight hundred fifty but less
29 than twenty-two thousand or a county of the third classification with a population greater than
30 thirty-nine thousand but less than forty thousand or a county of the third classification with a
31 township form of organization and a population greater than twenty-eight thousand but less than
32 twenty-nine thousand or a county of the third classification with a population greater than fifteen
33 thousand but less than fifteen thousand five hundred or a county of the third classification with
34 a population greater than eighteen thousand but less than nineteen thousand seventy or a county

of the third classification with a population greater than thirteen thousand nine hundred but less than fourteen thousand four hundred or a county of the third classification with a population greater than twenty-seven thousand but less than twenty-seven thousand five hundred or a county of the first classification without a charter form of government and a population of at least eighty thousand but not greater than eighty-three thousand or a county of the third classification with a population greater than fifteen thousand but less than fifteen thousand nine hundred without a township form of government which does not adjoin any county of the first, second or fourth classification or a county of the third classification with a population greater than twenty-three thousand but less than twenty-five thousand without a township form of government which does not adjoin any county of the second or fourth classification and does adjoin a county of the first classification with a population greater than one hundred twenty thousand but less than one hundred fifty thousand or in any county of the fourth classification acting as a county of the second classification, having a population of at least forty-eight thousand or any governing body of a municipality located in any of such counties may impose, by ordinance or order, a sales tax on all retail sales made in such county or municipality which are subject to taxation pursuant to the provisions of sections 144.010 to 144.525:

(1) A county with a population of at least four thousand two hundred inhabitants but not more than four thousand five hundred inhabitants;

(2) A county with a population of at least four thousand seven hundred inhabitants but not more than four thousand nine hundred inhabitants;

(3) A county with a population of at least seven thousand three hundred inhabitants but not more than seven thousand six hundred inhabitants;

(4) A county with a population of at least ten thousand one hundred inhabitants but not more than ten thousand three hundred inhabitants; and

(5) A county with a population of at least four thousand three hundred inhabitants but not more than four thousand five hundred inhabitants.

2. The maximum rate for a sales tax pursuant to this section shall be one percent for municipalities and one-half of one percent for counties.

3. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no ordinance or order imposing a sales tax pursuant to the provisions of this section shall be effective unless the governing body of the county or municipality submits to the voters of the county or municipality, at a regularly scheduled county, municipal or state general or primary election, a proposal to authorize the governing body of the county or municipality to impose a tax. Any sales tax imposed pursuant to this section shall not be authorized for a period of more than five years.

4. Such proposal shall be submitted in substantially the following form:

71 Shall the (city, town, village or county) of ..... impose a sales tax of ..... (insert
72 amount) for the purpose of economic development in the (city, town, village or county)?
73 ☐ YES ☐ NO
74
75 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
76 of the proposal, then the ordinance or order and any amendments thereto shall be in effect on the
77 first day of the second quarter after the director of revenue receives notice of adoption of the tax.
78 If a majority of the votes cast by the qualified voters voting are opposed to the proposal, then the
79 governing body of the county or municipality shall not impose the sales tax authorized in this
80 section until the governing body of the county or municipality resubmits another proposal to
81 authorize the governing body of the county or municipality to impose the sales tax authorized
82 by this section and such proposal is approved by a majority of the qualified voters voting
83 thereon; however no such proposal shall be resubmitted to the voters sooner than twelve months
84 from the date of the submission of the last such proposal.
85 5. All revenue received by a county or municipality from the tax authorized pursuant to
86 the provisions of this section shall be deposited in a special trust fund and shall be used solely
87 for economic development purposes within such county or municipality for so long as the tax
88 shall remain in effect.
89 6. Once the tax authorized by this section is abolished or is terminated by any means, all
90 funds remaining in the special trust fund shall be used solely for economic development purposes
91 within the county or municipality. Any funds in such special trust fund which are not needed for
92 current expenditures may be invested by the governing body in accordance with applicable laws
93 relating to the investment of other county or municipal funds.
94 7. All sales taxes collected by the director of revenue pursuant to this section on behalf
95 of any county or municipality**[**, less one percent for cost of collection which shall be deposited
96 in the state's general revenue fund after payment of premiums for surety bonds as provided in
97 section 32.087,**]** shall be deposited in a special trust fund, which is hereby created, to be known
98 as the "Local Economic Development Sales Tax Trust Fund".
99 8. **[**The moneys in the local economic development sales tax trust fund shall not be
100 deemed to be state funds and shall not be commingled with any funds of the state.**]** The director
101 of revenue shall keep accurate records of the amount of money in the trust fund and which was
102 collected in each county or municipality imposing a sales tax pursuant to this section, and the
103 records shall be open to the inspection of officers of the county or municipality and the public.
104 9. Not later than the tenth day of each month the director of revenue shall distribute all
105 moneys deposited in the trust fund during the preceding month to the county or municipality
106 which levied the tax. Such funds shall be deposited with the county treasurer of each such

county or the appropriate municipal officer in the case of a municipal tax, and all expenditures of funds arising from the local economic development sales tax trust fund shall be by an appropriation act to be enacted by the governing body of each such county or municipality. Expenditures may be made from the fund for any economic development purposes authorized in the ordinance or order adopted by the governing body submitting the tax to the voters.

10. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county or municipality for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties and municipalities.

11. If any county or municipality abolishes the tax, the county or municipality shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal and **the repeal shall be effective as provided by section 32.087.** The director of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of the tax in such county or municipality, the director of revenue shall remit the balance in the account to the county or municipality and close the account of that county or municipality. The director of revenue shall notify each county or municipality of each instance of any amount refunded or any check redeemed from receipts due the county or municipality.

12. Except as modified in this section, all provisions of sections 32.085 **[**and**] to** 32.087 shall apply to the tax imposed pursuant to this section.

13. For purposes of this section, the term "economic development" is limited to the following:

(1) Operations of economic development or community development offices, including the salaries of employees;

(2) Provision of training for job creation or retention;

(3) Provision of infrastructure and sites for industrial development or for public infrastructure projects; and

(4) Refurbishing of existing structures and property relating to community development.

67.1303. 1. The governing body of any home rule city with more than one hundred fifty-one thousand five hundred but less than one hundred fifty-one thousand six hundred inhabitants, any home rule city with more than forty-five thousand five hundred but less than forty-five thousand nine hundred inhabitants and the governing body of any city within any county of the first classification with more than one hundred four thousand six hundred but less than one hundred four thousand seven hundred inhabitants and the governing body of any county

of the third classification without a township form of government and with more than forty thousand eight hundred but less than forty thousand nine hundred inhabitants or any city within such county may impose, by order or ordinance, a sales tax on all retail sales made in the city or county which are subject to sales tax under chapter 144. In addition, the governing body of any county of the first classification with more than eighty-five thousand nine hundred but less than eighty-six thousand inhabitants or the governing body of any home rule city with more than seventy-three thousand but less than seventy-five thousand inhabitants may impose, by order or ordinance, a sales tax on all retail sales made in the city or county which are subject to sales tax under chapter 144. The tax authorized in this section shall not be more than one-half of one percent. The order or ordinance imposing the tax shall not become effective unless the governing body of the city or county submits to the voters of the city or county at a state general or primary election a proposal to authorize the governing body to impose a tax under this section. The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and shall be stated separately from all other charges and taxes.

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

Shall ..... (insert the name of the city or county) impose a sales tax at a rate of ..... (insert rate of percent) percent for economic development purposes?

☐ YES ☐ NO

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the tax shall become effective **[**on the first day of the second calendar quarter following the calendar quarter in which the election was held**] as provided by section 32.087**. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the question, then the tax shall not become effective unless and until the question is resubmitted under this section to the qualified voters and such question is approved by a majority of the qualified voters voting on the question, provided that no proposal shall be resubmitted to the voters sooner than twelve months from the date of the submission of the last proposal.

3. No revenue generated by the tax authorized in this section shall be used for any retail development project. At least twenty percent of the revenue generated by the tax authorized in this section shall be used solely for projects directly related to long-term economic development preparation, including, but not limited to, the following:

(1) Acquisition of land;

(2) Installation of infrastructure for industrial or business parks;

(3) Improvement of water and wastewater treatment capacity;

(4) Extension of streets;

43 (5) Providing matching dollars for state or federal grants;
44 (6) Marketing;
45 (7) Construction and operation of job training and educational facilities; and
46 (8) Providing grants and low-interest loans to companies for job training, equipment
47 acquisition, site development, and infrastructure. Not more than twenty-five percent of the
48 revenue generated may be used annually for administrative purposes, including staff and facility
49 costs.
50 4. All revenue generated by the tax shall be deposited in a special trust fund and shall
51 be used solely for the designated purposes. If the tax is repealed, all funds remaining in the
52 special trust fund shall continue to be used solely for the designated purposes. Any funds in the
53 special trust fund which are not needed for current expenditures may be invested by the
54 governing body in accordance with applicable laws relating to the investment of other city or
55 county funds.
56 5. **The director of revenue may authorize the state treasurer to make refunds from**
57 **the amounts in the trust fund and credited to any city or county for erroneous payments**
58 **in the trust fund and credited to any city or county for erroneous payments and**
59 **overpayments made, and may redeem dishonored checks and drafts deposited to the credit**
60 **of such counties. If any city or county abolishes the tax authorized under this section, the**
61 **repeal of such tax shall become effective December thirty-first of the calendar year in**
62 **which such abolishment was approved. Each city or county shall notify the director of**
63 **revenue at least ninety days prior to the effective date of the expiration of the sales tax**
64 **authorized by this section and the repeal shall be effective as provided by section 32.087.**
65 **The director of revenue may order retention in the trust fund, for a period of one year, of**
66 **two percent of the amount collected after receipt of such notice to cover possible refunds**
67 **or overpayment of such tax and to redeem dishonored checks and drafts deposited to the**
68 **credit of such accounts. After one year has elapsed after the date of expiration of the tax**
69 **authorized by this section in such city or county, the director of revenue shall remit the**
70 **balance in the account to the city or county and close the account of that city or county.**
71 **The director of revenue shall notify each city or county of each instance of any amount**
72 **refunded or any check redeemed from receipts due the city or county.**
73 **6.** Any city or county imposing the tax authorized in this section shall establish an
74 economic development tax board. The board shall consist of eleven members, to be appointed
75 as follows:
76 (1) Two members shall be appointed by the school boards whose districts are included
77 within any economic development plan or area funded by the sales tax authorized in this section.
78 Such members shall be appointed in any manner agreed upon by the affected districts;

79 (2) One member shall be appointed, in any manner agreed upon by the affected districts,
80 to represent all other districts levying ad valorem taxes within the area selected for an economic
81 development project or area funded by the sales tax authorized in this section, excluding
82 representatives of the governing body of the city or county;
83 (3) One member shall be appointed by the largest public school district in the city or
84 county;
85 (4) In each city or county, five members shall be appointed by the chief elected officer
86 of the city or county with the consent of the majority of the governing body of the city or county;
87 (5) In each city, two members shall be appointed by the governing body of the county
88 in which the city is located. In each county, two members shall be appointed by the governing
89 body of the county. At the option of the members appointed by a city or county the members
90 who are appointed by the school boards and other taxing districts may serve on the board for a
91 term to coincide with the length of time an economic development project, plan, or designation
92 of an economic development area is considered for approval by the board, or for the definite
93 terms as provided in this subsection. If the members representing school districts and other
94 taxing districts are appointed for a term coinciding with the length of time an economic
95 development project, plan, or area is approved, such term shall terminate upon final approval of
96 the project, plan, or designation of the area by the governing body of the city or county. If any
97 school district or other taxing jurisdiction fails to appoint members of the board within thirty
98 days of receipt of written notice of a proposed economic development plan, economic
99 development project, or designation of an economic development area, the remaining members
100 may proceed to exercise the power of the board. Of the members first appointed by the city or
101 county, three shall be designated to serve for terms of two years, three shall be designated to
102 serve for a term of three years, and the remaining members shall be designated to serve for a term
103 of four years from the date of such initial appointments. Thereafter, the members appointed by
104 the city or county shall serve for a term of four years, except that all vacancies shall be filled for
105 unexpired terms in the same manner as were the original appointments.
106 **[**6.**] 7.** The board, subject to approval of the governing body of the city or county, shall
107 develop economic development plans, economic development projects, or designations of an
108 economic development area, and shall hold public hearings and provide notice of any such
109 hearings. The board shall vote on all proposed economic development plans, economic
110 development projects, or designations of an economic development area, and amendments
111 thereto, within thirty days following completion of the hearing on any such plan, project, or
112 designation, and shall make recommendations to the governing body within ninety days of the
113 hearing concerning the adoption of or amendment to economic development plans, economic
114 development projects, or designations of an economic development area.

115 **[**7.**] 8.** The board shall report at least annually to the governing body of the city or county
116 on the use of the funds provided under this section and on the progress of any plan, project, or
117 designation adopted under this section.
118 **[**8.**] 9.** The governing body of any city or county that has adopted the sales tax authorized
119 in this section may submit the question of repeal of the tax to the voters on any date available for
120 elections for the city or county. The ballot of submission shall be in substantially the following
121 form:
122 Shall ..... (insert the name of the city or county) repeal the sales tax
123 imposed at a rate of ..... (insert rate of percent) percent for economic development purposes?
124 ☐ YES ☐ NO
125
126 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become
127 effective on December thirty-first of the calendar year in which such repeal was approved. If a
128 majority of the votes cast on the question by the qualified voters voting thereon are opposed to
129 the repeal, then the sales tax authorized in this section shall remain effective until the question
130 is resubmitted under this section to the qualified voters of the city or county, and the repeal is
131 approved by a majority of the qualified voters voting on the question.
132 **[**9.**] 10.** Whenever the governing body of any city or county that has adopted the sales
133 tax authorized in this section receives a petition, signed by ten percent of the registered voters
134 of the city or county voting in the last gubernatorial election, calling for an election to repeal the
135 sales tax imposed under this section, the governing body shall submit to the voters a proposal
136 to repeal the tax. If a majority of the votes cast on the question by the qualified voters voting
137 thereon are in favor of the repeal, that repeal shall become effective **[**on December thirty-first of
138 the calendar year in which such repeal was approved**] as provided by section 32.087**. If a
139 majority of the votes cast on the question by the qualified voters voting thereon are opposed to
140 the repeal, then the tax shall remain effective until the question is resubmitted under this section
141 to the qualified voters and the repeal is approved by a majority of the qualified voters voting on
142 the question. **If the city or county abolishes the tax, the city or county shall notify the**
143 **director of revenue of the action at least one hundred twenty days prior to the effective**
144 **date of the repeal.**
145 **11. After the effective date of any tax imposed under the provisions of this section,**
146 **the director of revenue shall perform all functions incident to the administration,**
147 **collection, enforcement, and operation of the tax and collect, in addition to the sales tax for**
148 **the state of Missouri, the additional tax authorized under this section. The tax imposed**
149 **under this section and the tax imposed under the sales tax law of the state of Missouri shall**

150 **be collected together and reported upon such forms and under such administrative rules**
151 **and regulations as may be prescribed by the director of revenue.**
152 **12. Except as provided in this section, all provisions of sections 32.085 to 32.087**
153 **shall apply to the tax imposed under this section.**

67.1305. 1. As used in this section, the term "city" shall mean any incorporated city,
2 town, or village.
3 2. In lieu of the sales taxes authorized under sections 67.1300 and 67.1303, the
4 governing body of any city or county may impose, by order or ordinance, a sales tax on all retail
5 sales made in the city or county which are subject to sales tax under chapter 144. The tax
6 authorized in this section shall not be more than one-half of one percent. The order or ordinance
7 imposing the tax shall not become effective unless the governing body of the city or county
8 submits to the voters of the city or county at any citywide, county or state general, primary or
9 special election a proposal to authorize the governing body to impose a tax under this section.
10 The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and
11 shall be stated separately from all other charges and taxes. The tax authorized in this section
12 shall not be imposed by any city or county that has imposed a tax under section 67.1300 or
13 67.1303 unless the tax imposed under those sections has expired or been repealed.
14 3. The ballot of submission for the tax authorized in this section shall be in substantially
15 the following form:
16 Shall ..... (insert the name of the city or county) impose a sales tax at a rate of .....
17 (insert rate of percent) percent for economic development purposes?
18 ☐ YES ☐ NO
19
20 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor
21 of the question, then the tax shall become effective on the first day of the second calendar quarter
22 following the calendar quarter in which the election was held. If a majority of the votes cast on
23 the question by the qualified voters voting thereon are opposed to the question, then the tax shall
24 not become effective unless and until the question is resubmitted under this section to the
25 qualified voters and such question is approved by a majority of the qualified voters voting on the
26 question, provided that no proposal shall be resubmitted to the voters sooner than twelve months
27 from the date of the submission of the last proposal.
28 4. All sales taxes collected by the director of revenue under this section on behalf of any
29 county or municipality**[**, less one percent for cost of collection which shall be deposited in the
30 state's general revenue fund after payment of premiums for surety bonds as provided in section
31 32.087,**]** shall be deposited in a special trust fund, which is hereby created, to be known as the
32 "Local Option Economic Development Sales Tax Trust Fund".

5. **[**The moneys in the local option economic development sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.**]** The director of revenue shall keep accurate records of the amount of money in the trust fund and which was collected in each city or county imposing a sales tax pursuant to this section, and the records shall be open to the inspection of officers of the city or county and the public.

6. Not later than the tenth day of each month the director of revenue shall distribute all moneys deposited in the trust fund during the preceding month to the city or county which levied the tax. Such funds shall be deposited with the county treasurer of each such county or the appropriate municipal officer in the case of a municipal tax, and all expenditures of funds arising from the local economic development sales tax trust fund shall be in accordance with this section.

7. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any city or county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such cities and counties.

8. If any county or municipality abolishes the tax, the city or county shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal and **the repeal shall be effective as provided by section 32.087.** The director of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of the tax in such city or county, the director of revenue shall remit the balance in the account to the city or county and close the account of that city or county. The director of revenue shall notify each city or county of each instance of any amount refunded or any check redeemed from receipts due the city or county.

9. Except as modified in this section, all provisions of sections 32.085 **[**and**] to** 32.087 shall apply to the tax imposed pursuant to this section.

10. (1) No revenue generated by the tax authorized in this section shall be used for any retail development project, except for the redevelopment of downtown areas and historic districts. Not more than twenty-five percent of the revenue generated shall be used annually for administrative purposes, including staff and facility costs.

(2) At least twenty percent of the revenue generated by the tax authorized in this section shall be used solely for projects directly related to long-term economic development preparation, including, but not limited to, the following:

(a) Acquisition of land;

(b) Installation of infrastructure for industrial or business parks;

69 (c) Improvement of water and wastewater treatment capacity;
70 (d) Extension of streets;
71 (e) Public facilities directly related to economic development and job creation; and
72 (f) Providing matching dollars for state or federal grants relating to such long-term
73 projects.
74 (3) The remaining revenue generated by the tax authorized in this section may be used
75 for, but shall not be limited to, the following:
76 (a) Marketing;
77 (b) Providing grants and loans to companies for job training, equipment acquisition, site
78 development, and infrastructures;
79 (c) Training programs to prepare workers for advanced technologies and high skill jobs;
80 (d) Legal and accounting expenses directly associated with the economic development
81 planning and preparation process;
82 (e) Developing value-added and export opportunities for Missouri agricultural products.
83 11. All revenue generated by the tax shall be deposited in a special trust fund and shall
84 be used solely for the designated purposes. If the tax is repealed, all funds remaining in the
85 special trust fund shall continue to be used solely for the designated purposes. Any funds in the
86 special trust fund which are not needed for current expenditures may be invested by the
87 governing body in accordance with applicable laws relating to the investment of other city or
88 county funds.
89 12. (1) Any city or county imposing the tax authorized in this section shall establish an
90 economic development tax board. The volunteer board shall receive no compensation or
91 operating budget.
92 (2) The economic development tax board established by a city shall consist of five
93 members, to be appointed as follows:
94 (a) One member shall be appointed by the school districts included within any economic
95 development plan or area funded by the sales tax authorized in this section. Such member shall
96 be appointed in any manner agreed upon by the affected districts;
97 (b) Three members shall be appointed by the chief elected officer of the city with the
98 consent of the majority of the governing body of the city;
99 (c) One member shall be appointed by the governing body of the county in which the city
100 is located.
101 (3) The economic development tax board established by a county shall consist of seven
102 members, to be appointed as follows:

103 (a) One member shall be appointed by the school districts included within any economic
104 development plan or area funded by the sales tax authorized in this section. Such member shall
105 be appointed in any manner agreed upon by the affected districts;
106 (b) Four members shall be appointed by the governing body of the county; and
107 (c) Two members from the cities, towns, or villages within the county appointed in any
108 manner agreed upon by the chief elected officers of the cities or villages. Of the members
109 initially appointed, three shall be designated to serve for terms of two years, and the remaining
110 members shall be designated to serve for a term of four years from the date of such initial
111 appointments. Thereafter, the members appointed shall serve for a term of four years, except that
112 all vacancies shall be filled for unexpired terms in the same manner as were the original
113 appointments.
114 13. The board, subject to approval of the governing body of the city or county, shall
115 consider economic development plans, economic development projects, or designations of an
116 economic development area, and shall hold public hearings and provide notice of any such
117 hearings. The board shall vote on all proposed economic development plans, economic
118 development projects, or designations of an economic development area, and amendments
119 thereto, within thirty days following completion of the hearing on any such plan, project, or
120 designation, and shall make recommendations to the governing body within ninety days of the
121 hearing concerning the adoption of or amendment to economic development plans, economic
122 development projects, or designations of an economic development area. The governing body
123 of the city or county shall have the final determination on use and expenditure of any funds
124 received from the tax imposed under this section.
125 14. The board may consider and recommend using funds received from the tax imposed
126 under this section for plans, projects or area designations outside the boundaries of the city or
127 county imposing the tax if, and only if:
128 (1) The city or county imposing the tax or the state receives significant economic benefit
129 from the plan, project or area designation; and
130 (2) The board establishes an agreement with the governing bodies of all cities and
131 counties in which the plan, project or area designation is located detailing the authority and
132 responsibilities of each governing body with regard to the plan, project or area designation.
133 15. Notwithstanding any other provision of law to the contrary, the economic
134 development sales tax imposed under this section when imposed within a special taxing district,
135 including but not limited to a tax increment financing district, neighborhood improvement
136 district, or community improvement district, shall be excluded from the calculation of revenues
137 available to such districts, and no revenues from any sales tax imposed under this section shall
138 be used for the purposes of any such district unless recommended by the economic development

139 tax board established under this section and approved by the governing body imposing the tax.
140 16. The board and the governing body of the city or county imposing the tax shall report
141 at least annually to the governing body of the city or county on the use of the funds provided
142 under this section and on the progress of any plan, project, or designation adopted under this
143 section and shall make such report available to the public.
144 17. Not later than the first day of March each year the board shall submit to the joint
145 committee on economic development a report, not exceeding one page in length, which must
146 include the following information for each project using the tax authorized under this section:
147 (1) A statement of its primary economic development goals;
148 (2) A statement of the total economic development sales tax revenues received during
149 the immediately preceding calendar year;
150 (3) A statement of total expenditures during the preceding calendar year in each of the
151 following categories:
152 (a) Infrastructure improvements;
153 (b) Land and or buildings;
154 (c) Machinery and equipment;
155 (d) Job training investments;
156 (e) Direct business incentives;
157 (f) Marketing;
158 (g) Administration and legal expenses; and
159 (h) Other expenditures.
160 18. The governing body of any city or county that has adopted the sales tax authorized
161 in this section may submit the question of repeal of the tax to the voters on any date available for
162 elections for the city or county. The ballot of submission shall be in substantially the following
163 form:
164 Shall ..... (insert the name of the city or county) repeal the sales tax imposed at a rate
165 of ..... (insert rate of percent) percent for economic development purposes?
166 ☐ YES ☐ NO
167
168 If a majority of the votes cast on the proposal are in favor of the repeal, that repeal shall become
169 effective on December thirty-first of the calendar year in which such repeal was approved. If a
170 majority of the votes cast on the question by the qualified voters voting thereon are opposed to
171 the repeal, then the sales tax authorized in this section shall remain effective until the question
172 is resubmitted under this section to the qualified voters of the city or county, and the repeal is
173 approved by a majority of the qualified voters voting on the question.

19. Whenever the governing body of any city or county that has adopted the sales tax authorized in this section receives a petition, signed by ten percent of the registered voters of the city or county voting in the last gubernatorial election, calling for an election to repeal the sales tax imposed under this section, the governing body shall submit to the voters a proposal to repeal the tax. If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the repeal, that repeal shall become effective on December thirty-first of the calendar year in which such repeal was approved. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal, then the tax shall remain effective until the question is resubmitted under this section to the qualified voters and the repeal is approved by a majority of the qualified voters voting on the question.

20. If any provision of this section or section 67.1303 or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or application of this section or section 67.1303 which can be given effect without the invalid provision or application, and to this end the provisions of this section and section 67.1303 are declared severable.

67.1545. 1. Any district formed as a political subdivision may impose by resolution a district sales and use tax on all retail sales made in such district which are subject to taxation pursuant to sections 144.010 to 144.525, except sales of motor vehicles, **[**trailers, boats or outboard motors and sales to or by public utilities and providers of communications, cable, or video services**] watercraft, electricity, piped natural or artificial gas, or other fuels delivered by the seller**. Any sales and use tax imposed pursuant to this section may be imposed in increments of one-eighth of one percent, up to a maximum of one percent. Such district sales and use tax may be imposed for any district purpose designated by the district in its ballot of submission to its qualified voters; except that, no resolution adopted pursuant to this section shall become effective unless the board of directors of the district submits to the qualified voters of the district, by mail-in ballot, a proposal to authorize a sales and use tax pursuant to this section. If a majority of the votes cast by the qualified voters on the proposed sales tax are in favor of the sales tax, then the resolution is adopted. If a majority of the votes cast by the qualified voters are opposed to the sales tax, then the resolution is void.

2. The ballot shall be substantially in the following form:

Shall the ..... (insert name of district) Community Improvement District impose a community improvement districtwide sales and use tax at the maximum rate of ..... (insert amount) for a period of ..... (insert number) years from the date on which such tax is first imposed for the purpose of providing revenue for ..... (insert general description of the purpose)?

☐ YES ☐ NO

22 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
23 to the question, place an "X" in the box opposite "NO".
24 3. Within ten days after the qualified voters have approved the imposition of the sales
25 and use tax, the district shall, in accordance with section 32.087, notify the director of the
26 department of revenue. The sales and use tax authorized by this section shall become effective
27 on the first day of the second calendar quarter after the director of the department of revenue
28 receives notice of the adoption of such tax.
29 4. **[**The director of the department of revenue shall collect any tax adopted pursuant to
30 this section pursuant to section 32.087**] After the effective date of any tax imposed under the**
31 **provisions of this section, the director of revenue shall perform all functions incident to the**
32 **administration, collection, enforcement, and operation of the tax and collect, in addition**
33 **to the sales tax for the state of Missouri, the additional tax authorized under the authority**
34 **of this section. The tax imposed under this section and the tax imposed under the sales tax**
35 **law of the state of Missouri shall be collected together and reported upon such forms and**
36 **under such administrative rules and regulations as may be prescribed by the director of**
37 **revenue**.
38 5. In each district in which a sales and use tax is imposed pursuant to this section, every
39 retailer shall add such additional tax imposed by the district to such retailer's sale price, and when
40 so added such tax shall constitute a part of the purchase price, shall be a debt of the purchaser
41 to the retailer until paid and shall be recoverable at law in the same manner as the purchase price.
42 6. **[**In order to allow retailers to collect and report the sales and use tax authorized by this
43 section as well as all other sales and use taxes required by law in the simplest and most efficient
44 manner possible, a district may establish appropriate brackets to be used in the district imposing
45 a tax pursuant to this section in lieu of the brackets provided in section 144.285.
46 7.**]** The penalties provided in sections 144.010 to 144.525 shall apply to violations of this
47 section.
48 **[**8.**] 7.** All revenue received by the district from a sales and use tax imposed pursuant to
49 this section which is designated for a specific purpose shall be deposited into a special trust fund
50 and expended solely for such purpose. Upon the expiration of any sales and use tax adopted
51 pursuant to this section, all funds remaining in the special trust fund shall continue to be used
52 solely for the specific purpose designated in the resolution adopted by the qualified voters. Any
53 funds in such special trust fund which are not needed for current expenditures may be invested
54 by the board of directors pursuant to applicable laws relating to the investment of other district
55 funds.
56 **[**9.**] 8.** A district may repeal by resolution any sales and use tax imposed pursuant to this
57 section before the expiration date of such sales and use tax unless the repeal of such sales and

58 use tax will impair the district's ability to repay any liabilities the district has incurred, moneys
59 the district has borrowed or obligation the district has issued to finance any improvements or
60 services rendered for the district.

61 **[**10.**] 9.** Notwithstanding the provisions of chapter 115, an election for a district sales and
62 use tax under this section shall be conducted in accordance with the provisions of this section.

63 **10. Except as provided in this section, all provisions of sections 32.085 to 32.087**
64 **shall apply to the tax imposed under this section.**

67.1712. **1.** The governing body of any county located within the proposed metropolitan
2 district is hereby authorized to impose by ordinance a one-tenth of one cent sales tax on all retail
3 sales subject to taxation pursuant to sections 144.010 to 144.525 for the purpose of funding the
4 creation, operation and maintenance of a metropolitan park and recreation district. The tax
5 authorized by sections 67.1700 to 67.1769 shall be in addition to all other sales taxes allowed
6 by law. The governing body of any county within the proposed metropolitan district enacting
7 such an ordinance shall submit to the voters of such county a proposal to approve its ordinance
8 imposing the tax. Such ordinance shall become effective only after the majority of the voters
9 voting on such ordinance approve such ordinance. The provisions of sections 32.085 and 32.087
10 shall apply to any tax approved pursuant to this section and sections 67.1715 to 67.1721.

11 **2. Except as provided in this section, all provisions of sections 32.085 to 32.087 shall**
12 **apply to the tax imposed under this section.**

67.1775. 1. The governing body of a city not within a county, or any county of this state
2 may, after voter approval under this section, levy a sales tax not to exceed one-quarter of a cent
3 in the county or city, or city not within a county, for the purpose of providing services described
4 in section 210.861, including counseling, family support, and temporary residential services to
5 persons nineteen years of age or less. The question shall be submitted to the qualified voters of
6 the county or city, or city not within a county, at a county or city or state general, primary or
7 special election upon the motion of the governing body of the county or city, or city not within
8 a county or upon the petition of eight percent of the qualified voters of the county or city, or city
9 not within a county, determined on the basis of the number of votes cast for governor in such
10 county at the last gubernatorial election held prior to the filing of the petition. The election
11 officials of the county or city, or city not within a county, shall give legal notice as provided in
12 chapter 115. The question shall be submitted in substantially the following form:

13 Shall ..... County or City, solely for the purpose of establishing a community
14 children's services fund for the purpose of providing services to protect the well-being and safety
15 of children and youth nineteen years of age or less and to strengthen families, be authorized to
16 levy a sales tax of ..... (not to exceed one-quarter of a cent) in the city or county?

17 ☐ YES ☐ NO

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the ordinance or order and any amendments thereto shall be in effect on the first day of the second calendar quarter after the director receives notification of the local sales tax. If a question receives less than the required majority, then the governing authority of the city or county, or city not within a county, shall have no power to impose the sales tax unless and until the governing authority of the city or county, or city not within a county, has submitted another question to authorize the imposition of the sales tax authorized by this section and such question is approved by the required majority of the qualified voters voting thereon. However, in no event shall a question under this section be submitted to the voters sooner than twelve months from the date of the last question under this section.

2. After the effective date of any tax imposed under the provisions of this section, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax and the director of revenue shall collect in addition to the sales tax for the state of Missouri the additional tax authorized under the authority of this section. The tax imposed under this section and the tax imposed under the sales tax law of the state of Missouri shall be collected together and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue.

3. All sales taxes collected by the director of revenue under this section on behalf of any city or county, or city not within a county**[**, less one percent for the cost of collection, which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in section 32.087,**]** shall be deposited with the state treasurer in a special fund, which is hereby created, to be known as the "Community Children's Services Fund". **[**The moneys in the city or county, or city not within a county, community children's services fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.**]** The director of revenue shall keep accurate records of the amount of money in the fund which was collected in each city or county, or city not within a county, imposing a sales tax under this section, and the records shall be open to the inspection of officers of each city or county, or city not within a county, and the general public. Not later than the tenth day of each month, the director of revenue shall distribute all moneys deposited in the fund during the preceding month by distributing to the city or county treasurer, or the treasurer of a city not within a county, or such other officer as may be designated by a city or county ordinance or order, or ordinance or order of a city not within a county, of each city or county, or city not within a county, imposing the tax authorized by this section, the sum, as certified by the director of revenue, due the city or county.

4. The director of revenue may authorize the state treasurer to make refunds from the amounts in the fund and credited to any city or county, or city not within a county, for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to

the credit of such counties. Each city or county, or city not within a county, shall notify the director of revenue at least ninety days prior to the effective date of the expiration of the sales tax authorized by this section and **the repeal shall be effective as provided by section 32.087.** The director of revenue may order retention in the fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of such tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the date of expiration of the tax authorized by this section in such city not within a county or such city or county, the director of revenue shall remit the balance in the account to the city or county, or city not within a county, and close the account of that city or county, or city not within a county. The director of revenue shall notify each city or county, or city not within a county, of each instance of any amount refunded or any check redeemed from receipts due the city or county.

5. Except as modified in this section, all provisions of sections 32.085 **[**and**] to** 32.087 shall apply to the tax imposed under this section.

6. All revenues generated by the tax prescribed in this section shall be deposited in the county treasury or, in a city not within a county, to the board established by law to administer such fund to the credit of a special community children's services fund to accomplish the purposes set out herein and in section 210.861, and shall be used for no other purpose. Such fund shall be administered by a board of directors, established under section 210.861.

67.1959. 1. The board, by a majority vote, may submit to the residents of such district a tax of not more than one percent on all retail sales, except sales of **[**food as defined in section 144.014, sales of**]** new or used motor vehicles, trailers, boats, or other outboard motors, **[**all utilities, telephone and wireless services,**]** and sales of funeral services, made **on or after January 1, 2013,** within the district which are subject to taxation pursuant to the provisions of sections 144.010 to 144.525. Upon the written request of the board to the election authority of the county in which a majority of the area of the district is situated, such election authority shall submit a proposition to the residents of such district at a municipal or statewide primary or general election, or at a special election called for that purpose. Such election authority shall give legal notice as provided in chapter 115.

2. Such proposition shall be submitted to the voters of the district in substantially the following form at such election:

Shall the Tourism Community Enhancement District impose a sales tax of ..... (insert amount) for the purpose of promoting tourism in the district?

☐ YES ☐ NO

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

If a majority of the votes cast on the proposal by the qualified voters of the proposed district voting thereon are in favor of the proposal, then the order shall become effective on the first day of the second calendar quarter after the director of revenue receives notice of adoption of the tax. If the proposal receives less than the required majority, then the board shall have no power to impose the sales tax authorized pursuant to this section unless and until the board shall again have submitted another proposal to authorize the board to impose the sales tax authorized by this section and such proposal is approved by the required majority of the qualified voters of the district.

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

2. An exhibition center and recreational facility district may be created under this section in the following counties:

(1) Any county of the first classification with more than seventy-one thousand three hundred but less than seventy-one thousand four hundred inhabitants;

(2) Any county of the first classification with more than one hundred ninety-eight thousand but less than one hundred ninety-nine thousand two hundred inhabitants;

(3) Any county of the first classification with more than eighty-five thousand nine hundred but less than eighty-six thousand inhabitants;

(4) Any county of the second classification with more than fifty-two thousand six hundred but less than fifty-two thousand seven hundred inhabitants;

(5) Any county of the first classification with more than one hundred four thousand six hundred but less than one hundred four thousand seven hundred inhabitants;

(6) Any county of the third classification without a township form of government and with more than seventeen thousand nine hundred but less than eighteen thousand inhabitants;

(7) Any county of the first classification with more than thirty-seven thousand but less than thirty-seven thousand one hundred inhabitants;

(8) Any county of the third classification without a township form of government and with more than twenty-three thousand five hundred but less than twenty-three thousand six hundred inhabitants;

(9) Any county of the third classification without a township form of government and with more than nineteen thousand three hundred but less than nineteen thousand four hundred inhabitants;

25 (10) Any county of the first classification with more than two hundred forty thousand
26 three hundred but less than two hundred forty thousand four hundred inhabitants;
27 (11) Any county of the third classification with a township form of government and with
28 more than eight thousand nine hundred but fewer than nine thousand inhabitants;
29 (12) Any county of the third classification without a township form of government and
30 with more than eighteen thousand nine hundred but fewer than nineteen thousand inhabitants;
31 (13) Any county of the third classification with a township form of government and with
32 more than eight thousand but fewer than eight thousand one hundred inhabitants;
33 (14) Any county of the third classification with a township form of government and with
34 more than eleven thousand five hundred but fewer than eleven thousand six hundred inhabitants.
35 3. Whenever not less than fifty owners of real property located within any county listed
36 in subsection 2 of this section desire to create an exhibition center and recreational facility
37 district, the property owners shall file a petition with the governing body of each county located
38 within the boundaries of the proposed district requesting the creation of the district. The district
39 boundaries may include all or part of the counties described in this section. The petition shall
40 contain the following information:
41 (1) The name and residence of each petitioner and the location of the real property
42 owned by the petitioner;
43 (2) A specific description of the proposed district boundaries, including a map
44 illustrating the boundaries; and
45 (3) The name of the proposed district.
46 4. Upon the filing of a petition pursuant to this section, the governing body of any county
47 described in this section may, by resolution, approve the creation of a district. Any resolution
48 to establish such a district shall be adopted by the governing body of each county located within
49 the proposed district, and shall contain the following information:
50 (1) A description of the boundaries of the proposed district;
51 (2) The time and place of a hearing to be held to consider establishment of the proposed
52 district;
53 (3) The proposed sales tax rate to be voted on within the proposed district; and
54 (4) The proposed uses for the revenue generated by the new sales tax.
55 5. Whenever a hearing is held as provided by this section, the governing body of each
56 county located within the proposed district shall:
57 (1) Publish notice of the hearing on two separate occasions in at least one newspaper of
58 general circulation in each county located within the proposed district, with the first publication
59 to occur not more than thirty days before the hearing, and the second publication to occur not
60 more than fifteen days or less than ten days before the hearing;

(2) Hear all protests and receive evidence for or against the establishment of the proposed district; and

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

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

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

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

(3) The name of the district;

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

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

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

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

☐ YES ☐ NO

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

If a majority of the votes cast in the portion of any county that is part of the proposed district favor the proposal, then the sales tax shall become effective in that portion of the county **[**that is part of the proposed district on the first day of the first calendar quarter immediately following the election**] as provided by section 32.087**. If a majority of the votes cast in the portion of a county that is a part of the proposed district oppose the proposal, then that portion of such county shall not impose the sales tax authorized in this section until after the county governing body has

97 submitted another such sales tax proposal and the proposal is approved by a majority of the
98 qualified voters voting thereon. However, if a sales tax proposal is not approved, the governing
99 body of the county shall not resubmit a proposal to the voters pursuant to this section sooner than
100 twelve months from the date of the last proposal submitted pursuant to this section. If the
101 qualified voters in two or more counties that have contiguous districts approve the sales tax
102 proposal, the districts shall combine to become one district.

103 8. There is hereby created a board of trustees to administer any district created and the
104 expenditure of revenue generated pursuant to this section consisting of four individuals to
105 represent each county approving the district, as provided in this subsection. The governing body
106 of each county located within the district, upon approval of that county's sales tax proposal, shall
107 appoint four members to the board of trustees; at least one shall be an owner of a nonlodging
108 business located within the taxing district, or their designee, at least one shall be an owner of a
109 lodging facility located within the district, or their designee, and all members shall reside in the
110 district except that one nonlodging business owner, or their designee, and one lodging facility
111 owner, or their designee, may reside outside the district. Each trustee shall be at least twenty-five
112 years of age and a resident of this state. Of the initial trustees appointed from each county, two
113 shall hold office for two years, and two shall hold office for four years. Trustees appointed after
114 expiration of the initial terms shall be appointed to a four-year term by the governing body of the
115 county the trustee represents, with the initially appointed trustee to remain in office until a
116 successor is appointed, and shall take office upon being appointed. Each trustee may be
117 reappointed. Vacancies shall be filled in the same manner in which the trustee vacating the
118 office was originally appointed. The trustees shall not receive compensation for their services,
119 but may be reimbursed for their actual and necessary expenses. The board shall elect a chair and
120 other officers necessary for its membership. Trustees may be removed if:

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

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

125 9. The board of trustees shall have the following powers, authority, and privileges:

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

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

128 (3) To enter into contracts, franchises, and agreements with any person or entity, public
129 or private, affecting the affairs of the district, including contracts with any municipality, district,
130 or state, or the United States, and any of their agencies, political subdivisions, or
131 instrumentalities, for the funding, including without limitation interest rate exchange or swap
132 agreements, planning, development, construction, acquisition, maintenance, or operation of a

133 single exhibition center and recreational facilities or to assist in such activity. "Recreational
134 facilities" means locations explicitly designated for public use where the primary use of the
135 facility involves participation in hobbies or athletic activities;
136 (4) To borrow money and incur indebtedness and evidence the same by certificates,
137 notes, or debentures, to issue bonds and use any one or more lawful funding methods the district
138 may obtain for its purposes at such rates of interest as the district may determine. Any bonds,
139 notes, and other obligations issued or delivered by the district may be secured by mortgage,
140 pledge, or deed of trust of any or all of the property and income of the district. Every issue of
141 such bonds, notes, or other obligations shall be payable out of property and revenues of the
142 district and may be further secured by other property of the district, which may be pledged,
143 assigned, mortgaged, or a security interest granted for such payment, without preference or
144 priority of the first bonds issued, subject to any agreement with the holders of any other bonds
145 pledging any specified property or revenues. Such bonds, notes, or other obligations shall be
146 authorized by resolution of the district board, and shall bear such date or dates, and shall mature
147 at such time or times, but not in excess of thirty years, as the resolution shall specify. Such
148 bonds, notes, or other obligations shall be in such denomination, bear interest at such rate or
149 rates, be in such form, either coupon or registered, be issued as current interest bonds, compound
150 interest bonds, variable rate bonds, convertible bonds, or zero coupon bonds, be issued in such
151 manner, be payable in such place or places, and be subject to redemption as such resolution may
152 provide, notwithstanding section 108.170. The bonds, notes, or other obligations may be sold
153 at either public or private sale, at such interest rates, and at such price or prices as the district
154 shall determine;
155 (5) To acquire, transfer, donate, lease, exchange, mortgage, and encumber real and
156 personal property in furtherance of district purposes;
157 (6) To refund any bonds, notes, or other obligations of the district without an election.
158 The terms and conditions of refunding obligations shall be substantially the same as those of the
159 original issue, and the board shall provide for the payment of interest at not to exceed the legal
160 rate, and the principal of such refunding obligations in the same manner as is provided for the
161 payment of interest and principal of obligations refunded;
162 (7) To have the management, control, and supervision of all the business and affairs of
163 the district, and the construction, installation, operation, and maintenance of district
164 improvements therein; to collect rentals, fees, and other charges in connection with its services
165 or for the use of any of its facilities;
166 (8) To hire and retain agents, employees, engineers, and attorneys;
167 (9) To receive and accept by bequest, gift, or donation any kind of property;

168 (10) To adopt and amend bylaws and any other rules and regulations not in conflict with
169 the constitution and laws of this state, necessary for the carrying on of the business, objects, and
170 affairs of the board and of the district; and
171 (11) To have and exercise all rights and powers necessary or incidental to or implied
172 from the specific powers granted by this section.
173 10. There is hereby created the "Exhibition Center and Recreational Facility District
174 Sales Tax Trust Fund", which shall consist of all sales tax revenue collected pursuant to this
175 section. The director of revenue shall be custodian of the trust fund, and moneys in the trust fund
176 shall be used solely for the purposes authorized in this section. Moneys in the trust fund shall
177 be considered nonstate funds pursuant to section 15, article IV, Constitution of Missouri. The
178 director of revenue shall invest moneys in the trust fund in the same manner as other funds are
179 invested. Any interest and moneys earned on such investments shall be credited to the trust fund.
180 All sales taxes collected by the director of revenue pursuant to this section on behalf of the
181 district, less one percent for the cost of collection which shall be deposited in the state's general
182 revenue fund after payment of premiums for surety bonds as provided in section 32.087, shall
183 be deposited in the trust fund. The director of revenue shall keep accurate records of the amount
184 of moneys in the trust fund which was collected in the district imposing a sales tax pursuant to
185 this section, and the records shall be open to the inspection of the officers of each district and the
186 general public. Not later than the tenth day of each month, the director of revenue shall
187 distribute all moneys deposited in the trust fund during the preceding month to the district. The
188 director of revenue may authorize refunds from the amounts in the trust fund and credited to the
189 district for erroneous payments and overpayments made, and may redeem dishonored checks and
190 drafts deposited to the credit of the district.
191 11. The sales tax authorized by this section is in addition to all other sales taxes allowed
192 by law. **After the effective date of any tax imposed under the provisions of this section, the**
193 **director of revenue shall perform all functions incident to the administration, collection,**
194 **enforcement, and operation of the tax and collect, in addition to the sales tax for the state**
195 **of Missouri, the additional tax authorized under the authority of this section. The tax**
196 **imposed under this section and the tax imposed under the sales tax law of the state of**
197 **Missouri shall be collected together and reported upon such forms and under such**
198 **administrative rules and regulations as may be prescribed by the director of revenue.**
199 **12.** Except as modified in this section, all provisions of sections 32.085 and 32.087 apply
200 to the sales tax imposed pursuant to this section.
201 **[**12.**] 13.** Any sales tax imposed pursuant to this section shall not extend past the initial
202 term approved by the voters unless an extension of the sales tax is submitted to and approved by
203 the qualified voters in each county in the manner provided in this section. Each extension of the

204 sales tax shall be for a period not to exceed twenty years. The ballot of submission for the
205 extension shall be in substantially the following form:
206 Shall the ..... (name of district) extend the sales tax of one-fourth of one percent for
207 a period of ..... (insert number of years) years to fund the acquisition, construction,
208 maintenance, operation, improvement, and promotion of an exhibition center and recreational
209 facilities?
210 ☐ YES ☐ NO
211
212 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
213 to the question, place an "X" in the box opposite "NO".
214
215 If a majority of the votes cast favor the extension, then the sales tax shall remain in effect at the
216 rate and for the time period approved by the voters. If a sales tax extension is not approved, the
217 district may submit another sales tax proposal as authorized in this section, but the district shall
218 not submit such a proposal to the voters sooner than twelve months from the date of the last
219 extension submitted.
220 **[**13.**] 14.** Once the sales tax authorized by this section is abolished or terminated by any
221 means, all funds remaining in the trust fund shall be used solely for the purposes approved in the
222 ballot question authorizing the sales tax. The sales tax shall not be abolished or terminated while
223 the district has any financing or other obligations outstanding; provided that any new financing,
224 debt, or other obligation or any restructuring or refinancing of an existing debt or obligation
225 incurred more than ten years after voter approval of the sales tax provided in this section or more
226 than ten years after any voter-approved extension thereof shall not cause the extension of the
227 sales tax provided in this section or cause the final maturity of any financing or other obligations
228 outstanding to be extended. Any funds in the trust fund which are not needed for current
229 expenditures may be invested by the district in the securities described in subdivisions (1) to (12)
230 of subsection 1 of section 30.270 or repurchase agreements secured by such securities. If the
231 district abolishes the sales tax, the district shall notify the director of revenue of the action at
232 least ninety days before the effective date of the repeal, and the director of revenue may order
233 retention in the trust fund, for a period of one year, of two percent of the amount collected after
234 receipt of such notice to cover possible refunds or overpayment of the sales tax and to redeem
235 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed
236 after the effective date of abolition of the sales tax in the district, the director of revenue shall
237 remit the balance in the account to the district and close the account of the district. The director
238 of revenue shall notify the district of each instance of any amount refunded or any check
239 redeemed from receipts due the district.

240 **[**14.**] 15.** In the event that the district is dissolved or terminated by any means, the
241 governing bodies of the counties in the district shall appoint a person to act as trustee for the
242 district so dissolved or terminated. Before beginning the discharge of duties, the trustee shall
243 take and subscribe an oath to faithfully discharge the duties of the office, and shall give bond
244 with sufficient security, approved by the governing bodies of the counties, to the use of the
245 dissolved or terminated district, for the faithful discharge of duties. The trustee shall have and
246 exercise all powers necessary to liquidate the district, and upon satisfaction of all remaining
247 obligations of the district, shall pay over to the county treasurer of each county in the district and
248 take receipt for all remaining moneys in amounts based on the ratio the levy of each county bears
249 to the total levy for the district in the previous three years or since the establishment of the
250 district, whichever time period is shorter. Upon payment to the county treasurers, the trustee
251 shall deliver to the clerk of the governing body of any county in the district all books, papers,
252 records, and deeds belonging to the dissolved district.

67.2030. 1. The governing authority of any city of the fourth classification with more
2 than one thousand six hundred but less than one thousand seven hundred inhabitants and located
3 in any county of the first classification with more than seventy-three thousand seven hundred but
4 less than seventy-three thousand eight hundred inhabitants is hereby authorized to impose, by
5 ordinance or order, a sales tax in the amount not to exceed one-half of one percent on all retail
6 sales made in such city which are subject to taxation pursuant to sections 144.010 to 144.525 for
7 the promotion of tourism in such city. The tax authorized by this section shall be in addition to
8 any and all other sales taxes allowed by law, except that no ordinance or order imposing a sales
9 tax pursuant to this section shall be effective unless the governing authority of the city submits
10 to the qualified voters of the city, at any municipal or state general, primary, or special election,
11 a proposal to authorize the governing authority of the city to impose a tax.
12 2. The ballot of submission shall be in substantially the following form:
13 Shall the city of ..... (city's name) impose a citywide sales tax of ..... (insert
14 amount) for the purpose of promoting tourism in the city?
15 ☐ YES ☐ NO
16
17 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
18 to the question, place an "X" in the box opposite "NO".
19
20 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
21 of the proposal, then the ordinance or order and any amendments thereto shall be in effect **[**on
22 the first day of the first calendar quarter immediately following notification to the director of the
23 department of revenue of the election approving the proposal**] as provided by section 32.087**.

If a proposal receives less than the required majority, then the governing authority of the city shall have no power to impose the sales tax unless and until the governing authority of the city has submitted another proposal to authorize the imposition of the sales tax authorized by this section and such proposal is approved by the required majority of the qualified voters voting thereon. However, in no event shall a proposal pursuant to this section be submitted to the voters sooner than twelve months from the date of the last proposal pursuant to this section.

3. **[**On and after the effective date of any tax authorized in this section, the city may adopt one of the two following provisions for the collection and administration of the tax:

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

(2) The city may enter into an agreement with the director of revenue of the state of Missouri for the purpose of collecting the tax authorized in this section. In the event any city enters into an agreement with the director of revenue of the state of Missouri for the collection of the tax authorized in this section, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of such tax, and the director of revenue shall collect the additional tax authorized in this section. The tax authorized in this section shall be collected and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue, and the director of revenue shall retain an amount not to exceed one percent for cost of collection.

4. If a tax is imposed by a city pursuant to this section, the city may collect a penalty of one percent and interest not to exceed two percent per month on unpaid taxes which shall be considered delinquent thirty days after the last day of each quarter**] After the effective date of any tax imposed under the provisions of this section, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax and collect, in addition to the sales tax for the state of Missouri, the additional tax authorized under the authority of this section. The tax imposed under this section and the tax imposed under the sales tax law of the state of Missouri shall be collected together and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue**.

[5.**] 4.** (1) The governing authority of any city that has adopted any sales tax pursuant to this section shall, upon filing of a petition calling for the repeal of such sales tax signed by at least ten percent of the qualified voters in the city, submit the question of repeal of the sales tax to the qualified voters at any primary or general election. The ballot of submission shall be in substantially the following form:

Shall ..... (insert name of city) repeal the sales tax of ..... (insert rate of percent) percent for tourism purposes now in effect in ..... (insert name of city)?

60 ☐ YES ☐ NO
61
62 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
63 to the question, place an "X" in the box opposite "NO".
64
65 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become
66 effective on December thirty-first of the calendar year in which such repeal was approved. **If the**
67 **city or county abolishes the tax, the city or county shall notify the director of revenue of the**
68 **action at least one hundred twenty days prior to the effective date of the repeal.**
69 (2) Once the tax is repealed as provided in this section, all funds remaining in any trust
70 fund or account established to receive revenues generated by the tax shall be used solely for the
71 original stated purpose of the tax. Any funds which are not needed for current expenditures may
72 be invested by the governing authority in accordance with applicable laws relating to the
73 investment of other city funds.
74 (3) The governing authority of a city repealing a tax pursuant to this section shall notify
75 the director of revenue of the action at least forty-five days before the effective date of the repeal
76 and the director of revenue may order retention in any trust fund created in the state treasury
77 associated with the tax, for a period of one year, of two percent of the amount collected after
78 receipt of such notice to cover refunds or overpayment of the tax and to redeem dishonored
79 checks and drafts deposited to the credit of such accounts. After one year has elapsed after the
80 effective date of repeal of the tax in the city, the director of revenue shall remit the balance in the
81 trust fund to the city and close the account of that city. The director of revenue shall notify each
82 city of each instance of any amount refunded or any check redeemed from receipts due the city.
83 (4) In the event that the repeal of a sales tax pursuant to this section dissolves or
84 terminates a taxing district, the governing authority of the city shall appoint a person to act as
85 trustee for the district so dissolved or terminated. Before beginning the discharge of duties, the
86 trustee shall take and subscribe an oath to faithfully discharge the duties of the office, and shall
87 give bond with sufficient security, approved by the governing authority of the city, to the use of
88 the dissolved or terminated district, for the faithful discharge of duties. The trustee shall have
89 and exercise all powers necessary to liquidate the district, and upon satisfaction of all remaining
90 obligations of the district, shall pay over to the city treasurer or the equivalent official and take
91 receipt for all remaining moneys. Upon payment to the city treasurer, the trustee shall deliver
92 to the clerk of the governing authority of the city all books, papers, records, and deeds belonging
93 to the dissolved district.
94 **[**6.**] 5.** Except as modified in this section, all provisions of sections 32.085 **[**and**] to**
95 32.087 shall apply to the tax imposed pursuant to this section.

67.2525. 1. Each member of the board of directors shall have the following qualifications:

(1) As to those subdistricts in which there are registered voters, a resident registered voter in the subdistrict that he or she represents, or be a property owner or, as to those subdistricts in which there are not registered voters who are residents, a property owner or representative of a property owner in the subdistrict he or she represents;

(2) Be at least twenty-one years of age and a registered voter in the district.

2. The district shall be subdivided into at least five but not more than fifteen subdistricts, which shall be represented by one representative on the district board of directors. All board members shall have terms of four years, including the initial board of directors. All members shall take office upon being appointed and shall remain in office until a successor is appointed by the mayor or chairman of the municipality in which the district is located, or elected by the property owners in those subdistricts without registered voters.

3. For those subdistricts which contain one or more registered voters, the mayor or chairman of the city, town, or village shall, with the consent of the governing body, appoint a registered voter residing in the subdistrict to the board of directors.

4. For those subdistricts which contain no registered voters, the property owners who collectively own one or more parcels of real estate comprising more than half of the land situated in each subdistrict shall meet and shall elect a representative to serve upon the board of directors. The clerk of the city, town, or village in which the petition was filed shall, unless waived in writing by all property owners in the subdistrict, give notice by causing publication to be made once a week for two consecutive weeks in a newspaper of general circulation in the county, the last publication of which shall be at least ten days before the day of the meeting required by this section, to call a meeting of the owners of real property within the subdistrict at a day and hour specified in a public place in the city, town, or village in which the petition was filed for the purpose of electing members of the board of directors.

5. The property owners, when assembled, shall organize by the election of a temporary chairman and secretary of the meeting who shall conduct the election. An election shall be conducted for each subdistrict, with the eligible property owners voting in that subdistrict. At the election, each acre of real property within the subdistrict shall represent one share, and each owner, including corporations and other entities, may have one vote in person or for every acre of real property owned by such person within the subdistrict. Each voter which is not an individual shall determine how to cast its vote as provided for in its articles of incorporation, articles of organization, articles of partnership, bylaws, or other document which sets forth an appropriate mechanism for the determination of the entity's vote. If a voter has no such mechanism, then its vote shall be cast as determined by a majority of the persons who run the

day-to-day affairs of the voter. The results of the meeting shall be certified by the temporary chairman and secretary to the municipal clerk if the district is established by a municipality described in this section, or to the circuit clerk if the district is established by a circuit court.

6. Successor boards shall be appointed or elected, depending upon the presence or absence of resident registered voters, by the mayor or chairman of a city, town, or village described in this section, or the property owners as set forth above; provided, however, that elections held by the property owners after the initial board is elected shall be certified to the municipal clerk of the city, town, or village where the district is located and the board of directors of the district.

7. Should a vacancy occur on the board of directors, the mayor or chairman of the city, town, or village if there are registered voters within the subdistrict, or a majority of the owners of real property in a subdistrict if there are not registered voters in the subdistrict, shall have the authority to appoint or elect, as set forth in this section, an interim director to complete any unexpired term of a director caused by resignation or disqualification.

8. The board shall possess and exercise all of the district's legislative and executive powers, including:

(1) The power to fund, promote and provide educational, civic, musical, theatrical, cultural, concerts, lecture series, and related or similar entertainment events or activities, and fund, promote, plan, design, construct, improve, maintain, and operate public improvements, transportation projects, and related facilities within the district;

(2) The power to accept and disburse tax or other revenue collected in the district; and

(3) The power to receive property by gift or otherwise.

9. Within thirty days after the selection of the initial directors, the board shall meet. At its first meeting and annually thereafter the board shall elect a chairman from its members.

10. The board shall appoint an executive director, district secretary, treasurer, and such other officers or employees as it deems necessary.

11. At the first meeting, the board, by resolution, shall define the first and subsequent fiscal years of the district, and shall adopt a corporate seal.

12. A simple majority of the board shall constitute a quorum. If a quorum exists, a majority of those voting shall have the authority to act in the name of the board, and approve any board resolution.

13. At the first meeting, the board, by resolution, shall receive the certification of the election regarding the sales tax, and may impose the sales tax in all subdistricts approving the imposing sales tax. In those subdistricts that approve the sales tax, the sales tax shall become effective **[**on the first day of the first calendar quarter immediately following the action by the district board of directors imposing the tax**] as provided by section 32.087**.

14. Each director shall devote such time to the duties of the office as the faithful discharge thereof may require and be reimbursed for his or her actual expenditures in the performance of his or her duties on behalf of the district. Directors may be compensated, but such compensation shall not exceed one hundred dollars per month.

15. In addition to all other powers granted by sections 67.2500 to 67.2530, the district shall have the following general powers:

(1) To sue and be sued in its own name, and to receive service of process, which shall be served upon the district secretary;

(2) To fix compensation of its employees and contractors;

(3) To enter into contracts, franchises, and agreements with any person or entity, public or private, affecting the affairs of the district, including contracts with any municipality, district, or state, or the United States, and any of their agencies, political subdivisions, or instrumentalities, for the funding, including without limitation, interest rate exchange or swap agreements, planning, development, construction, acquisition, maintenance, or operation of a district facility or to assist in such activity;

(4) To acquire, develop, construct, equip, transfer, donate, lease, exchange, mortgage, and encumber real and personal property in furtherance of district purposes;

(5) To collect and disburse funds for its activities;

(6) To collect taxes and other revenues;

(7) To borrow money and incur indebtedness and evidence the same by certificates, notes, bonds, debentures, or refunding of any such obligations for the purpose of paying all or any part of the cost of land, construction, development, or equipping of any facilities or operations of the district;

(8) To own or lease real or personal property for use in connection with the exercise of powers pursuant to this subsection;

(9) To provide for the election or appointment of officers, including a chairman, treasurer, and secretary. Officers shall not be required to be residents of the district, and one officer may hold more than one office;

(10) To hire and retain agents, employees, engineers, and attorneys;

(11) To enter into entertainment contracts binding the district and artists, agencies, or performers, management contracts, contracts relating to the booking of entertainment and the sale of tickets, and all other contracts which relate to the purposes of the district;

(12) To contract with a local government, a corporation, partnership, or individual regarding funding, promotion, planning, designing, constructing, improving, maintaining, or operating a project or to assist in such activity;

108 (13) To contract for transfer to a city, town, or village such district facilities and
109 improvements free of cost or encumbrance on such terms set forth by contract;
110 (14) To exercise such other powers necessary or convenient for the district to accomplish
111 its purposes which are not inconsistent with its express powers.
112 16. A district may at any time authorize or issue notes, bonds, or other obligations for
113 any of its powers or purposes. Such notes, bonds, or other obligations:
114 (1) Shall be in such amounts as deemed necessary by the district, including costs of
115 issuance thereof;
116 (2) Shall be payable out of all or any portion of the revenues or other assets of the
117 district;
118 (3) May be secured by any property of the district which may be pledged, assigned,
119 mortgaged, or otherwise encumbered for payment;
120 (4) Shall be authorized by resolution of the district, and if issued by the district, shall
121 bear such date or dates, and shall mature at such time or times, but not in excess of forty years,
122 as the resolution shall specify;
123 (5) Shall be in such denomination, bear interest at such rates, be in such form, be issued
124 as current interest bonds, compound interest bonds, variable rate bonds, convertible bonds, or
125 zero coupon bonds, be issued in such manner, be payable in such place or places and subject to
126 redemption as such resolution may provide; and
127 (6) May be sold at either public or private sale, at such interest rates, and at such price
128 or prices as the district shall determine.
129
130 The provisions of this subsection are applicable to the district notwithstanding the provisions of
131 section 108.170.

67.2530. 1. Any note, bond, or other indebtedness of the district may be refunded at any
2 time by the district by issuing refunding bonds in such amount as the district may deem
3 necessary. Such bonds shall be subject to and shall have the benefit of the foregoing provisions
4 regarding notes, bonds, and other obligations. Without limiting the generality of the foregoing,
5 refunding bonds may include amounts necessary to finance any premium, unpaid interest, and
6 costs of issuance in connection with the refunding bonds. Any such refunding may be effected
7 whether the bonds to be refunded then shall have matured or thereafter shall mature, either by
8 sale of the refunding bonds and the application of the proceeds thereof to the payment of the
9 obligations being refunded or the exchange of the refunding bonds for the obligations being
10 refunded with the consent of the holders of the obligations being refunded.
11 2. Notes, bonds, or other indebtedness of the district shall be exclusively the
12 responsibility of the district payable solely out of the district funds and property and shall not

13 constitute a debt or liability of the state of Missouri or any agency or political subdivision of the
14 state. Any notes, bonds, or other indebtedness of the district shall state on their face that they
15 are not obligations of the state of Missouri or any agency or political subdivision thereof other
16 than the district.

17 3. Any district may by resolution impose a district sales tax of up to one-half of one
18 percent on all retail sales made in such district that are subject to taxation pursuant to the
19 provisions of sections 144.010 to 144.525. Upon voter approval, and receiving the necessary
20 certifications from the governing body of the municipality in which the district is located, or
21 from the circuit court if the district was formed by the circuit court, the board of directors shall
22 have the power to impose a sales tax at its first meeting, or any meeting thereafter. Voter
23 approval of the question of the imposing sales tax shall be in accordance with section 67.2520.
24 **[**The sales tax shall become effective in those subdistricts that approve the sales tax on the first
25 day of the first calendar quarter immediately following the passage of a resolution by the board
26 of directors imposing the sales tax.

27 4. In each district in which a sales tax has been imposed in the manner provided by this
28 section, every retailer shall add the tax imposed by the district pursuant to this section to the
29 retailer's sale price, and when so added, such tax shall constitute a part of the price, shall be a
30 debt of the purchaser to the retailer until paid, and shall be recoverable at law in the same manner
31 as the purchase price.

32 5. In order to permit sellers required to collect and report the sales tax authorized by this
33 section to collect the amount required to be reported and remitted, but not to change the
34 requirements of reporting or remitting tax or to serve as a levy of the tax, and in order to avoid
35 fractions of pennies, the district may establish appropriate brackets which shall be used in the
36 district imposing a tax pursuant to this section in lieu of those brackets provided in section
37 144.285.

38 6.**] 4.** All revenue received by a district from the sales tax authorized by this section shall
39 be deposited in a special trust fund and shall be used solely for the purposes of the district. Any
40 funds in such special trust fund which are not needed for the district's current expenditures may
41 be invested by the district board of directors in accordance with applicable laws relating to the
42 investment of other district funds.

43 **[**7.**] 5.** The sales tax may be imposed at a rate of up to one-half of one percent on the
44 receipts from the sale at retail of all tangible personal property or taxable services at retail within
45 the district adopting such tax, if such property and services are subject to taxation by the state
46 of Missouri pursuant to the provisions of sections 144.010 to 144.525. Any district sales tax
47 imposed pursuant to this section shall be imposed at a rate that shall be uniform throughout the
48 subdistricts approving the sales tax.

49 **[**8. The resolution imposing the sales tax pursuant to this section shall impose upon all
50 sellers a tax for the privilege of engaging in the business of selling tangible personal property or
51 rendering taxable services at retail to the extent and in the manner provided in sections 144.010
52 to 144.525 and the rules and regulations of the director of revenue issued pursuant thereto;
53 except that the rate of the tax shall be the rate imposed by the resolution as the sales tax and the
54 tax shall be reported and returned to and collected by the district.
55 9. (1) On and after the effective date of any sales tax imposed pursuant to this section,
56 the district shall perform all functions incident to the administration, collection, enforcement, and
57 operation of the tax. The sales tax imposed pursuant to this section shall be collected and
58 reported upon such forms and under such administrative rules and regulations as may be
59 prescribed by the district.
60 (2)**] 6. After the effective date of any tax imposed under the provisions of this**
61 **section, the director of revenue shall perform all functions incident to the administration,**
62 **collection, enforcement, and operation of the tax and collect, in addition to the sales tax for**
63 **the state of Missouri, the additional tax authorized under the authority of this section. The**
64 **tax imposed under this section and the tax imposed under the sales tax law of the state of**
65 **Missouri shall be collected together and reported upon such forms and under such**
66 **administrative rules and regulations as may be prescribed by the director of revenue.**
67 **7.** All **[**such**]** sales taxes **[**collected by the district**]** shall be deposited by the district in a
68 special fund to be expended for the purposes authorized in this section. The district shall keep
69 accurate records of the amount of money which was collected pursuant to this section, and the
70 records shall be open to the inspection of officers of each district and the general public.
71 **[**(3) The district may contract with the municipality that the district is within for the
72 municipality to collect any revenue received by the district and, after deducting the cost of such
73 collection, but not to exceed one percent of the total amount collected, deposit such revenue in
74 a special trust account. Such revenue and interest may be applied by the municipality to
75 expenses, costs, or debt service of the district at the direction of the district as set forth in a
76 contract between the municipality and the district.
77 10. (1) All applicable provisions contained in sections 144.010 to 144.525 governing
78 the state sales tax, sections 32.085 and 32.087, and section 32.057, the uniform confidentiality
79 provision, shall apply to the collection of the tax imposed by this section, except as modified in
80 this section.
81 (2) All exemptions granted to agencies of government, organizations, persons, and to the
82 sale of certain articles and items of tangible personal property and taxable services pursuant to
83 the provisions of sections 144.010 to 144.525 are hereby made applicable to the imposition and
84 collection of the tax imposed by this section.

85 (3) The same sales tax permit, exemption certificate, and retail certificate required by
86 sections 144.010 to 144.525 for the administration and collection of the state sales tax shall
87 satisfy the requirements of this section, and no additional permit or exemption certificate or retail
88 certificate shall be required; except that the district may prescribe a form of exemption certificate
89 for an exemption from the tax imposed by this section.
90 (4) All discounts allowed the retailer pursuant to the provisions of the state sales tax laws
91 for the collection of and for payment of taxes pursuant to such laws are hereby allowed and made
92 applicable to any taxes collected pursuant to the provisions of this section.
93 (5) The penalties provided in section 32.057 and sections 144.010 to 144.525 for
94 violation of those sections are hereby made applicable to violations of this section.
95 (6) For the purpose of a sales tax imposed by a resolution pursuant to this section, all
96 retail sales shall be deemed to be consummated at the place of business of the retailer unless the
97 tangible personal property sold is delivered by the retailer or the retailer's agent to an out-of-state
98 destination or to a common carrier for delivery to an out-of-state destination. In the event a
99 retailer has more than one place of business in this state which participates in the sale, the sale
100 shall be deemed to be consummated at the place of business of the retailer where the initial order
101 for the tangible personal property is taken, even though the order must be forwarded elsewhere
102 for acceptance, approval of credit, shipment, or billing.
103 A sale by a retailer's employee shall be deemed to be consummated at the place of business from
104 which the employee works.
105 (7)**] 8.** Subsequent to the initial approval by the voters and implementation of a sales tax
106 in the district, the rate of the sales tax may be increased, but not to exceed a rate of one-half of
107 one percent on retail sales as provided in this subsection. The election shall be conducted in
108 accordance with section 67.2520; provided, however, that the district board of directors may
109 place the question of the increase of the sales tax before the voters of the district by resolution,
110 and the municipal clerk of the city, town, or village which originally conducted the incorporation
111 of the district, or the circuit clerk of the court which originally conducted the incorporation of
112 the district, shall conduct the subsequent election. In subsequent elections, the election judges
113 shall certify the election results to the district board of directors. The ballot of submission shall
114 be in substantially the following form:
115 Shall ..... (name of district) increase the ..... (insert amount) percent district
116 sales tax now in effect to ..... (insert amount) in the ..... (name of district)?
117 ☐ YES ☐ NO
118
119 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
120 to the question, place an "X" in the box opposite "NO".

121 If a majority of the votes cast on the proposal by the qualified voters of the district voting thereon
122 are in favor of the increase, the increase shall become effective **[**December thirty-first of the
123 calendar year in which such increase was approved**] as provided by section 32.087**.
124 **[**11.**] 9.** (1) There shall not be any election as provided for in this section while the
125 district has any financing or other obligations outstanding.
126 (2) The board, when presented with a petition signed by at least one-third of the
127 registered voters in a district that voted in the last gubernatorial election, or signed by at least
128 two-thirds of property owners of the district, calling for an election to dissolve and repeal the tax
129 shall submit the question to the voters using the same procedure by which the imposing tax was
130 voted. The ballot of submission shall be in substantially the following form:
131 Shall ..... (name of district) dissolve and repeal the ..... (insert amount) percent
132 district sales tax now in effect in the ..... (name of district)?
133 ☐ YES ☐ NO
134
135 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
136 to the question, place an "X" in the box opposite "NO".
137
138 Such subsequent elections for the repeal of the sales tax shall be conducted in accordance with
139 section 67.2520; provided, however, that the district board of directors may place the question
140 of the repeal of the sales tax before the voters of the district, and the municipal clerk of the city,
141 town, or village which originally conducted the incorporation of the district, or the circuit clerk
142 of the court which originally conducted the incorporation of the district, shall conduct the
143 subsequent election. In subsequent elections the election judges shall certify the election results
144 to the district board of directors.
145 (3) If a majority of the votes cast on the proposal by the qualified voters of the district
146 voting thereon are in favor of repeal, that repeal shall become effective December thirty-first of
147 the calendar year in which such repeal was approved or after the repayment of the district's
148 indebtedness, whichever occurs later. **If the district abolishes the tax, the district shall notify**
149 **the director of revenue of the action at least one hundred twenty days prior to the effective**
150 **date of the repeal.**
151 **[**12.**] 10.** (1) At such time as the board of directors of the district determines that further
152 operation of the district is not in the best interests of the inhabitants of the district, and that the
153 district should dissolve, the board shall submit for a vote in an election held throughout the
154 district the question of whether the district should be abolished. The question shall be submitted
155 in substantially the following form:
156

157 Shall the ..... theater, cultural arts, and entertainment district be abolished?
158 ☐ YES ☐ NO
159
160 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
161 to the question, place an "X" in the box opposite "NO".
162 (2) The district board shall not propose the question to abolish the district while there
163 are outstanding claims or causes of action pending against the district, while the district liabilities
164 exceed its assets, while indebtedness of the district is outstanding, or while the district is
165 insolvent, in receivership or under the jurisdiction of the bankruptcy court.
166 Prior to submitting the question to abolish the district to a vote of the entire district, the state
167 auditor shall audit the district to determine the financial status of the district, and whether the
168 district may be abolished pursuant to law. The vote on the abolition of the district shall be
169 conducted by the municipal clerk of the city, town, or village in which the district is located. The
170 procedure shall be the same as in section 67.2520, except that the question shall be determined
171 by the qualified voters of the entire district. No individual subdistrict may be abolished, except
172 at such time as the district is abolished.
173 (3) While the district still exists, it shall continue to accrue all revenues to which it is
174 entitled at law.
175 (4) Upon receipt by the board of directors of the district of the certification by the city,
176 town, or village in which the district is located that the majority of those voting within the entire
177 district have voted to abolish the district, and if the state auditor has determined that the district's
178 financial condition is such that it may be abolished pursuant to law, then the board of directors
179 of the district shall:
180 (a) Sell any remaining district real or personal property it wishes, and then transfer the
181 proceeds and any other real or personal property owned by the district to the city, town, or village
182 in which the district is located, including revenues due and owing the district, for its further use
183 and disposition;
184 (b) Terminate the employment of any remaining district employees, and otherwise
185 conclude its affairs;
186 (c) At a public meeting of the district, declare by a resolution of the board of directors
187 passed by a majority vote that the district has been abolished effective that date;
188 (d) Cause copies of that resolution under seal to be filed with the secretary of state and
189 the city, town, or village in which the district is located. Upon the completion of the final act
190 specified in this subsection, the legal existence of the district shall cease.
191 (5) The legal existence of the district shall not cease for a period of two years after voter
192 approval of the abolition.

11. Except as provided in this section, all provisions of sections 32.085 to 32.087 shall apply to the tax imposed under this section.

94.578. 1. In addition to the sales tax authorized in section 94.577, the governing body of any home rule city with more than one hundred fifty-one thousand five hundred but less than one hundred fifty-one thousand six hundred inhabitants is hereby authorized to impose, by order or ordinance, a sales tax on all retail sales made within the city which are subject to sales tax under chapter 144. The tax authorized in this section may be imposed at a rate of one-eighth, one-fourth, three-eighths, or one-half of one percent, but shall not exceed one-half of one percent, shall not be imposed for longer than three years, and shall be imposed solely for the purpose of funding the construction, operation, and maintenance of capital improvements in the city's center city. The governing body may issue bonds for the funding of such capital improvements, which will be retired by the revenues received from the sales tax authorized by this section. The order or ordinance shall not become effective unless the governing body of the city submits to the voters residing within the city at a state or municipal general, primary, or special election a proposal to authorize the governing body of the city to impose a tax under this section. The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and shall be stated separately from all other charges and taxes.

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

Shall ..... (insert the name of the city) impose a sales tax at a rate of ..... (insert rate of percent) percent for **[**a**]** capital improvements purposes in the city's center city for a period of ..... (insert number of years, not to exceed three) years?

☐ YES ☐ NO

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the tax shall become effective on the first day of the second calendar quarter after the director of revenue receives notice of the adoption of the sales tax. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the question, then the tax shall not become effective unless and until the question is resubmitted under this section to the qualified voters and such question is approved by a majority of the qualified voters voting on the question. In no case shall a tax be resubmitted to the qualified voters of the city sooner than twelve months from the date of the proposal under this section.

3. Any sales tax imposed under this section shall be administered, collected, enforced, and operated as required in **[**section**]** **sections 32.085 to** 32.087. All revenue generated by the tax shall be deposited in a special trust fund and shall be used solely for the designated purposes. If the tax is repealed, all funds remaining in the special trust fund shall continue to be used solely

35 for the designated purposes. Any funds in the special trust fund which are not needed for current
36 expenditures shall be invested in the same manner as other funds are invested. Any interest and
37 moneys earned on such investments shall be credited to the fund.
38 4. The director of revenue may authorize the state treasurer to make refunds from the
39 amounts in the trust fund and credited to any city for erroneous payments and overpayments
40 made, and may redeem dishonored checks and drafts deposited to the credit of such cities. If any
41 city abolishes the tax, the city shall notify the director of revenue of the action at least ninety days
42 before the effective date of the repeal, and the director of revenue may order retention in the trust
43 fund, for a period of one year, of two percent of the amount collected after receipt of such notice
44 to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts
45 deposited to the credit of such accounts. After one year has elapsed after the effective date of
46 abolition of the tax in such city, the director of revenue shall remit the balance in the account to
47 the city and close the account of that city. The director of revenue shall notify each city of each
48 instance of any amount refunded.
49 5. The governing body of any city that has adopted the sales tax authorized in this section
50 may submit the question of repeal of the tax to the voters on any date available for elections for
51 the city. The ballot of submission shall be in substantially the following form:
52 Shall ..... (insert the name of the city) repeal the sales tax imposed at a rate of
53 ..... (insert rate of percent) percent for capital improvements purposes in the city's center city?
54 ☐ YES ☐ NO
55
56 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become
57 effective on December thirty-first of the calendar year in which such repeal was approved. If a
58 majority of the votes cast on the question by the qualified voters voting thereon are opposed to
59 the repeal, then the sales tax authorized in this section shall remain effective until the question
60 is resubmitted under this section to the qualified voters, and the repeal is approved by a majority
61 of the qualified voters voting on the question. **If the city or county abolishes the tax, the city**
62 **or county shall notify the director of revenue of the action at least one hundred twenty days**
63 **prior to the effective date of the repeal.**
64 6. Whenever the governing body of any city that has adopted the sales tax authorized in
65 this section receives a petition, signed by ten percent of the registered voters of the city voting
66 in the last gubernatorial election, calling for an election to repeal the sales tax imposed under this
67 section, the governing body shall submit to the voters of the city a proposal to repeal the tax. If
68 a majority of the votes cast on the question by the qualified voters voting thereon are in favor of
69 the repeal, that repeal shall become effective on December thirty-first of the calendar year in
70 which such repeal was approved. If a majority of the votes cast on the question by the qualified

71 voters voting thereon are opposed to the repeal, then the tax shall remain effective until the
72 question is resubmitted under this section to the qualified voters and the repeal is approved by
73 a majority of the qualified voters voting on the question.

74 **7. Except as provided in this section, all provisions of sections 32.085 to 32.087**
75 **apply to the sales tax imposed under this section.**

94.605. 1. Any city as defined in section 94.600 may by a majority vote of its governing
2 body impose a sales tax for transportation purposes enumerated in sections 94.600 to 94.655.

3 2. The sales tax may be imposed at a rate not to exceed one-half of one percent on the
4 receipts from the sale at retail of all tangible personal property or taxable services at retail within
5 any city adopting such tax, if such property and services are subject to taxation by the state of
6 Missouri under the provisions of sections 144.010 to 144.525.

7 3. With respect to any tax increment financing plan originally approved by ordinance of
8 the city council after March 31, 2009, in any home rule city with more than four hundred
9 thousand inhabitants and located in more than one county, any three-eighths of one cent sales tax
10 imposed under sections 94.600 to 94.655 shall not be considered economic activity taxes as such
11 term is defined under sections 99.805 and 99.918, and tax revenues derived from such taxes shall
12 not be subject to allocation under the provisions of subsection 3 of section 99.845 or subsection
13 4 of section 99.957. Any one-eighth of one cent sales tax imposed in such city under sections
14 94.600 to 94.655 for constructing and operating a light-rail transit system shall not be considered
15 economic activity taxes as such term is defined under sections 99.805 and 99.918, and tax
16 revenues derived from such tax shall not be subject to allocation under the provisions of
17 subsection 3 of section 99.845 or subsection 4 of section 99.957.

18 **[**4. If the boundaries of a city in which such sales tax has been imposed shall thereafter
19 be changed or altered, the city or county clerk shall forward to the director of revenue by United
20 States registered mail or certified mail a certified copy of the ordinance adding or detaching
21 territory from the city. The ordinance shall reflect the effective date thereof, and shall be
22 accompanied by a map of the city clearly showing the territory added thereto or detached
23 therefrom. Upon receipt of the ordinance and map, the tax imposed by sections 94.600 to 94.655
24 shall be effective in the added territory or abolished in the detached territory on the effective date
25 of the change of the city boundary.**]**

94.660. 1. The governing body of any city not within a county and any county of the first
2 classification having a charter form of government with a population of over nine hundred
3 thousand inhabitants may propose, by ordinance or order, a transportation sales tax of up to one
4 percent for submission to the voters of that city or county at an authorized election date selected
5 by the governing body.

2. Any sales tax approved under this section shall be imposed on the receipts from the sale at retail of all tangible personal property or taxable services within the city or county adopting the tax, if such property and services are subject to taxation by the state of Missouri under sections 144.010 to 144.525.

3. The ballot of submission shall contain, but need not be limited to, the following language:

Shall the county/city of ..... (county's or city's name) impose a county/city-wide sales tax of ..... percent for the purpose of providing a source of funds for public transportation purposes?

☐ YES ☐ NO

Except as provided in subsection 4 of this section, if a majority of the votes cast in that county or city not within a county on the proposal by the qualified voters voting thereon are in favor of the proposal, then the tax shall go into effect **[**on the first day of the next calendar quarter beginning after its adoption and notice to the director of revenue, but no sooner than thirty days after such adoption and notice**] as provided by section 32.087**. If a majority of the votes cast in that county or city not within a county by the qualified voters voting are opposed to the proposal, then the additional sales tax shall not be imposed in that county or city not within a county unless and until the governing body of that county or city not within a county shall have submitted another proposal to authorize the local option transportation sales tax authorized in this section, and such proposal is approved by a majority of the qualified voters voting on it. In no event shall a proposal pursuant to this section be submitted to the voters sooner than twelve months from the date of the last proposal.

4. No tax shall go into effect under this section in any city not within a county or any county of the first classification having a charter form of government with a population over nine hundred thousand inhabitants unless and until both such city and such county approve the tax.

5. The provisions of subsection 4 of this section requiring both the city and county to approve a transportation sales tax before a transportation sales tax may go into effect in either jurisdiction shall not apply to any transportation sales tax submitted to and approved by the voters in such city or such county on or after August 28, 2007.

6. All sales taxes collected by the director of revenue under this section on behalf of any city or county, less one percent for cost of collection which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds, shall be deposited with the state treasurer in a special trust fund, which is hereby created, to be known as the "County Public Transit Sales Tax Trust Fund". The sales taxes shall be collected as provided in section 32.087. The moneys in the trust fund shall not be deemed to be state funds and shall not be commingled

with any funds of the state. The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each city or county approving a sales tax under this section, and the records shall be open to inspection by officers of the city or county and the public. Not later than the tenth day of each month the director of revenue shall distribute all moneys deposited in the trust fund during the preceding month to the city or county which levied the tax, and such funds shall be deposited with the treasurer of each such city or county and all expenditures of funds arising from the county public transit sales tax trust fund shall be by an appropriation act to be enacted by the governing body of each such county or city not within a county.

7. The revenues derived from any transportation sales tax under this section shall be used only for the planning, development, acquisition, construction, maintenance and operation of public transit facilities and systems other than highways.

8. The director of revenue may authorize the state treasurer to make refunds from the amount in the trust fund and credited to any city or county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such cities or counties. If any city or county abolishes the tax, the city or county shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal and the director of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of the tax in such city or county, the director of revenue shall authorize the state treasurer to remit the balance in the account to the city or county and close the account of that city or county. The director of revenue shall notify each city or county of each instance of any amount refunded or any check redeemed from receipts due the city or county.

94.705. 1. Any city may by a majority vote of its governing body impose a sales tax for transportation purposes enumerated in sections 94.700 to 94.755, and issue bonds for transportation purposes which shall be retired by the revenues received from the sales tax authorized by this section. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law. No ordinance imposing a sales tax pursuant to the provisions of this section shall become effective unless the council or other governing body submits to the voters of the city, at a city or state general, primary, or special election, a proposal to authorize the council or other governing body of the city to impose such a sales tax and, if such tax is to be used to retire bonds authorized pursuant to this section, to authorize such bonds and their retirement by such tax; except that no vote shall be required in any city that imposed and

11 collected such tax under sections 94.600 to 94.655, before January 5, 1984. The ballot of the
12 submission shall contain, but is not limited to, the following language:
13 (1) If the proposal submitted involves only authorization to impose the tax authorized
14 by this section, the following language:
15 Shall the city of ..... (city's name) impose a sales tax of ..... (insert amount)
16 for transportation purposes?
17 ☐ YES ☐ NO
18
19 If you are in favor of the question, place an "X" in the box opposite "Yes". If you are opposed
20 to the question, place an "X" in the box opposite "No";
21 (2) If the proposal submitted involves authorization to issue bonds and repay such bonds
22 with revenues from the tax authorized by this section, the following language:
23 Shall the city of ..... (city's name) issue bonds in the amount of ..... (insert
24 amount) for transportation purposes and impose a sales tax of ..... (insert amount) to repay
25 such bonds?
26 ☐ YES ☐ NO
27
28 If you are in favor of the question, place an "X" in the box opposite "Yes". If you are opposed
29 to the question, place an "X" in the box opposite "No".
30
31 If a majority of the votes cast on the proposal, provided in subdivision (1) of this subsection, by
32 the qualified voters voting thereon are in favor of the proposal, then the ordinance and any
33 amendments thereto shall be in effect. If the four-sevenths majority of the votes, as required by
34 the Missouri Constitution, article VI, section 26, cast on the proposal, provided in subdivision
35 (2) of this subsection to issue bonds and impose a sales tax to retire such bonds, by the qualified
36 voters voting thereon are in favor of the proposal, then the ordinance and any amendments
37 thereto shall be in effect. If a majority of the votes cast on the proposal, as provided in
38 subdivision (1) of this subsection, by the qualified voters voting thereon are opposed to the
39 proposal, then the council or other governing body of the city shall have no power to impose the
40 tax authorized in subdivision (1) of this subsection unless and until the council or other
41 governing body of the city submits another proposal to authorize the council or other governing
42 body of the city to impose the tax and such proposal is approved by a majority of the qualified
43 voters voting thereon. If more than three-sevenths of the votes cast by the qualified voters voting
44 thereon are opposed to the proposal, as provided in subdivision (2) of this subsection to issue
45 bonds and impose a sales tax to retire such bonds, then the council or other governing body of
46 the city shall have no power to issue any bonds or to impose the tax authorized in subdivision

(2) of this subsection unless and until the council or other governing body of the city submits another proposal to authorize the council or other governing body of the city to issue such bonds or impose the tax to retire such bonds and such proposal is approved by four-sevenths of the qualified voters voting thereon.

2. No incorporated municipality located wholly or partially within any first class county operating under a charter form of government and having a population of over nine hundred thousand inhabitants shall impose such a sales tax for that part of the city, town or village that is located within such first class county, in the event such a first class county imposes a sales tax under the provisions of sections 94.600 to 94.655.

3. The sales tax may be imposed at a rate not to exceed one-half of one percent on the receipts from the sale at retail of all tangible personal property or taxable services at retail within any city adopting such tax, if such property and services are subject to taxation by the state of Missouri under the provisions of sections 144.010 to 144.525.

4. **[**If the boundaries of a city in which such sales tax has been imposed shall thereafter be changed or altered, the city clerk shall forward to the director of revenue by United States registered mail or certified mail a certified copy of the ordinance adding or detaching territory from the city. The ordinance shall reflect the effective date thereof, and shall be accompanied by a map of the city clearly showing the territory added thereto or detached therefrom. Upon receipt of the ordinance and map, the tax imposed by sections 94.700 to 94.755 shall be effective in the added territory or abolished in the detached territory on the effective date of the change of the city boundary.

5.**]** No tax imposed pursuant to this section for the purpose of retiring bonds issued pursuant to this section may be terminated until all of such bonds have been retired.

99.1205. 1. This section shall be known and may be cited as the "Distressed Areas Land Assemblage Tax Credit Act".

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

(1) "Acquisition costs", the purchase price for the eligible parcel, costs of environmental assessments, closing costs, real estate brokerage fees, reasonable demolition costs of vacant structures, and reasonable maintenance costs incurred to maintain an acquired eligible parcel for a period of five years after the acquisition of such eligible parcel. Acquisition costs shall not include costs for title insurance and survey, attorney's fees, relocation costs, fines, or bills from a municipality;

(2) "Applicant", any person, firm, partnership, trust, limited liability company, or corporation which has:

(a) Incurred, within an eligible project area, acquisition costs for the acquisition of land sufficient to satisfy the requirements under subdivision (8) of this subsection; and

14 (b) Been appointed or selected, pursuant to a redevelopment agreement by a municipal
15 authority, as a redeveloper or similar designation, under an economic incentive law, to redevelop
16 an urban renewal area or a redevelopment area that includes all of an eligible project area or
17 whose redevelopment plan or redevelopment area, which encompasses all of an eligible project
18 area, has been approved or adopted under an economic incentive law. In addition to being
19 designated the redeveloper, the applicant shall have been designated to receive economic
20 incentives only after the municipal authority has considered the amount of the tax credits in
21 adopting such economic incentives as provided in subsection 8 of this section. The
22 redevelopment agreement shall provide that:
23 a. The funds generated through the use or sale of the tax credits issued under this section
24 shall be used to redevelop the eligible project area;
25 b. No more than seventy-five percent of the urban renewal area identified in the urban
26 renewal plan or the redevelopment area identified in the redevelopment plan may be redeveloped
27 by the applicant; and
28 c. The remainder of the urban renewal area or the redevelopment area shall be
29 redeveloped by co-redevelopers or redevelopers to whom the applicant has assigned its
30 redevelopment rights and obligations under the urban renewal plan or the redevelopment plan;
31 (3) "Certificate", a tax credit certificate issued under this section;
32 (4) "Condemnation proceedings", any action taken by, or on behalf of, an applicant to
33 initiate an action in a court of competent jurisdiction to use the power of eminent domain to
34 acquire a parcel within the eligible project area. Condemnation proceedings shall include any
35 and all actions taken after the submission of a notice of intended acquisition to an owner of a
36 parcel within the eligible project area by a municipal authority or any other person or entity under
37 section 523.250;
38 (5) "Department", the Missouri department of economic development;
39 (6) "Economic incentive laws", any provision of Missouri law pursuant to which
40 economic incentives are provided to redevelopers of a parcel or parcels to redevelop the land,
41 such as tax abatement or payments in lieu of taxes, or redevelopment plans or redevelopment
42 projects approved or adopted which include the use of economic incentives to redevelop the land.
43 Economic incentive laws include, but are not limited to, the land clearance for redevelopment
44 authority law under sections 99.300 to 99.660, the real property tax increment allocation
45 redevelopment act under sections 99.800 to 99.865, the Missouri downtown and rural economic
46 stimulus act under sections 99.915 to 99.1060, and the downtown revitalization preservation
47 program under sections 99.1080 to 99.1092;
48 (7) "Eligible parcel", a parcel:
49 (a) Which is located within an eligible project area;

50 (b) Which is to be redeveloped;
51 (c) On which the applicant has not commenced construction prior to November 28,
52 2007;
53 (d) Which has been acquired without the commencement of any condemnation
54 proceedings with respect to such parcel brought by or on behalf of the applicant. Any parcel
55 acquired by the applicant from a municipal authority shall not constitute an eligible parcel; and
56 (e) On which all outstanding taxes, fines, and bills levied by municipal governments that
57 were levied by the municipality during the time period that the applicant held title to the eligible
58 parcel have been paid in full;
59 (8) "Eligible project area", an area which shall have satisfied the following requirements:
60 (a) The eligible project area shall consist of at least seventy-five acres and may include
61 parcels within its boundaries that do not constitute an eligible parcel;
62 (b) At least eighty percent of the eligible project area shall be located within a Missouri
63 qualified census tract area, as designated by the United States Department of Housing and Urban
64 Development under 26 U.S.C. Section 42, or within a distressed community as that term is
65 defined in section 135.530;
66 (c) The eligible parcels acquired by the applicant within the eligible project area shall
67 total at least fifty acres, which may consist of contiguous and noncontiguous parcels;
68 (d) The average number of parcels per acre in an eligible project area shall be four or
69 more;
70 (e) Less than five percent of the acreage within the boundaries of the eligible project area
71 shall consist of owner-occupied residences which the applicant has identified for acquisition
72 under the urban renewal plan or the redevelopment plan pursuant to which the applicant was
73 appointed or selected as the redeveloper or by which the person or entity was qualified as an
74 applicant under this section on the date of the approval or adoption of such plan;
75 (9) "Interest costs", interest, loan fees, and closing costs. Interest costs shall not include
76 attorney's fees;
77 (10) "Maintenance costs", costs of boarding up and securing vacant structures, costs of
78 removing trash, and costs of cutting grass and weeds;
79 (11) "Municipal authority", any city, town, village, county, public body corporate and
80 politic, political subdivision, or land trust of this state established and authorized to own land
81 within the state;
82 (12) "Municipality", any city, town, village, or county;
83 (13) "Parcel", a single lot or tract of land, and the improvements thereon, owned by, or
84 recorded as the property of, one or more persons or entities;

85 (14) "Redeveloped", the process of undertaking and carrying out a redevelopment plan
86 or urban renewal plan pursuant to which the conditions which provided the basis for an eligible
87 project area to be included in a redevelopment plan or urban renewal plan are to be reduced or
88 eliminated by redevelopment or rehabilitation; and
89 (15) "Redevelopment agreement", the redevelopment agreement or similar agreement
90 into which the applicant entered with a municipal authority and which is the agreement for the
91 implementation of the urban renewal plan or redevelopment plan pursuant to which the applicant
92 was appointed or selected as the redeveloper or by which the person or entity was qualified as
93 an applicant under this section; and such appointment or selection shall have been approved by
94 an ordinance of the governing body of the municipality, or municipalities, or in the case of any
95 city not within a county, the board of aldermen, in which the eligible project area is located. The
96 redevelopment agreement shall include a time line for redevelopment of the eligible project area.
97 The redevelopment agreement shall state that the named developer shall be subject to the
98 provisions of chapter 290.
99 3. Any applicant shall be entitled to a tax credit against the taxes imposed under chapters
100 143, 147, and 148, except for sections 143.191 to 143.265, in an amount equal to fifty percent
101 of the acquisition costs, and one hundred percent of the interest costs incurred for a period of five
102 years after the acquisition of an eligible parcel. No tax credits shall be issued under this section
103 until after January 1, 2008.
104 4. If the amount of such tax credit exceeds the total tax liability for the year in which the
105 applicant is entitled to receive a tax credit, the amount that exceeds the state tax liability may be
106 carried forward for credit against the taxes imposed under chapters 143, 147, and 148 for the
107 succeeding six years, or until the full credit is used, whichever occurs first. The applicant shall
108 not be entitled to a tax credit for taxes imposed under sections 143.191 to 143.265. Applicants
109 entitled to receive such tax credits may transfer, sell, or assign the tax credits. Tax credits
110 granted to a partnership, a limited liability company taxed as a partnership, or multiple owners
111 of property shall be passed through to the partners, members, or owners respectively pro rata or
112 pursuant to an executed agreement among the partners, members, or owners documenting an
113 alternate distribution method.
114 5. A purchaser, transferee, or assignee of the tax credits authorized under this section
115 may use acquired tax credits to offset up to one hundred percent of the tax liabilities otherwise
116 imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265. A seller,
117 transferor, or assignor shall perfect such transfer by notifying the department in writing within
118 thirty calendar days following the effective date of the transfer and shall provide any information
119 as may be required by the department to administer and carry out the provisions of this section.
120 6. To claim tax credits authorized under this section, an applicant shall submit to the

121 department an application for a certificate. An applicant shall identify the boundaries of the
122 eligible project area in the application. The department shall verify that the applicant has
123 submitted a valid application in the form and format required by the department. The department
124 shall verify that the municipal authority held the requisite hearings and gave the requisite notices
125 for such hearings in accordance with the applicable economic incentive act, and municipal
126 ordinances. On an annual basis, an applicant may file for the tax credit for the acquisition costs,
127 and for the tax credit for the interest costs, subject to the limitations of this section. If an
128 applicant applying for the tax credit meets the criteria required under this section, the department
129 shall issue a certificate in the appropriate amount. If an applicant receives a tax credit for
130 maintenance costs as a part of the applicant's acquisition costs, the department shall post on its
131 Internet website the amount and type of maintenance costs and a description of the
132 redevelopment project for which the applicant received a tax credit within thirty days after the
133 department issues the certificate to the applicant.

134 7. The total aggregate amount of tax credits authorized under this section shall not
135 exceed ninety-five million dollars. At no time shall the annual amount of the tax credits issued
136 under this section exceed twenty million dollars. If the tax credits that are to be issued under this
137 section exceed, in any year, the twenty million dollar limitation, the department shall either:

138 (1) Issue tax credits to the applicant in the amount of twenty million dollars, if there is
139 only one applicant entitled to receive tax credits in that year; or

140 (2) Issue the tax credits on a pro rata basis to all applicants entitled to receive tax credits
141 in that year. Any amount of tax credits, which an applicant is, or applicants are, entitled to
142 receive on an annual basis and are not issued due to the twenty million dollar limitation, shall
143 be carried forward for the benefit of the applicant or applicants to subsequent years. No tax
144 credits provided under this section shall be authorized after August 28, 2013. Any tax credits
145 which have been authorized on or before August 28, 2013, but not issued, may be issued, subject
146 to the limitations provided under this subsection, until all such authorized tax credits have been
147 issued.

148 8. Upon issuance of any tax credits pursuant to this section, the department shall report
149 to the municipal authority the applicant's name and address, the parcel numbers of the eligible
150 parcels for which the tax credits were issued, the itemized acquisition costs and interest costs for
151 which tax credits were issued, and the total value of the tax credits issued. The municipal
152 authority and the state shall not consider the amount of the tax credits as an applicant's cost, but
153 shall include the tax credits in any sources and uses and cost benefit analysis reviewed or created
154 for the purpose of awarding other economic incentives. The amount of the tax credits shall not
155 be considered an applicant's cost in the evaluation of the amount of any award of any other
156 economic incentives, but shall be considered in measuring the reasonableness of the rate of

157 return to the applicant with respect to such award of other economic incentives. The municipal
158 authority shall provide the report to any relevant commission, board, or entity responsible for the
159 evaluation and recommendation or approval of other economic incentives to assist in the
160 redevelopment of the eligible project area. Tax credits authorized under this section shall
161 constitute redevelopment tax credits, as such term is defined under section 135.800, and shall
162 be subject to all provisions applicable to redevelopment tax credits provided under sections
163 135.800 to 135.830.

164 9. The department may promulgate rules to implement the provisions of this section.
165 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
166 authority delegated in this section shall become effective only if it complies with and is subject
167 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
168 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
169 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
170 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
171 or adopted after August 28, 2007, shall be invalid and void.

172 **10. Notwithstanding any other provision of law to the contrary, no tax credits shall**
173 **be issued under this section after December 31, 2012, and any tax credit issued before**
174 **January 1, 2013, shall be redeemed before January 1, 2015.**

100.286. 1. Within the discretion of the board, the development and reserve fund, the
2 infrastructure development fund or the export finance fund may be pledged to secure the payment
3 of any bonds or notes issued by the board, or to secure the payment of any loan made by the
4 board or a participating lender which loan:

5 (1) Is requested to finance any project or export trade activity;

6 (2) Is requested by a borrower who is demonstrated to be financially responsible;

7 (3) Can reasonably be expected to provide a benefit to the economy of this state;

8 (4) Is otherwise secured by a mortgage or deed of trust on real or personal property or
9 other security satisfactory to the board; provided that loans to finance export trade activities may
10 be secured by export accounts receivable or inventories of exportable goods satisfactory to the
11 board;

12 (5) Does not exceed five million dollars;

13 (6) Does not have a term longer than five years if such loan is made to finance export
14 trade activities; and

15 (7) Is, when used to finance export trade activities, made to small or medium size
16 businesses or agricultural businesses, as may be defined by the board.

17 2. The board shall prescribe standards for the evaluation of the financial condition,
18 business history, and qualifications of each borrower and the terms and conditions of loans which

19 may be secured, and may require each application to include a financial report and evaluation
20 by an independent certified public accounting firm, in addition to such examination and
21 evaluation as may be conducted by any participating lender.

22 3. Each application for a loan secured by the development and reserve fund, the
23 infrastructure development fund or the export finance fund shall be reviewed in the first instance
24 by any participating lender to whom the application was submitted. If satisfied that the standards
25 prescribed by the board are met and that the loan is otherwise eligible to be secured by the
26 development and reserve fund, the infrastructure development fund or the export finance fund,
27 the participating lender shall certify the same and forward the application for final approval to
28 the board.

29 4. The securing of any loans by the development and reserve fund, the infrastructure
30 development fund or the export finance fund shall be conditioned upon approval of the
31 application by the board, and receipt of an annual reserve participation fee, as prescribed by the
32 board, submitted by or on behalf of the borrower.

33 5. The securing of any loan by the export finance fund for export trade activities shall
34 be conditioned upon the board's compliance with any applicable treaties and international
35 agreements, such as the general agreement on tariffs and trade and the subsidies code, to which
36 the United States is then a party.

37 6. Any taxpayer, including any charitable organization that is exempt from federal
38 income tax and whose Missouri unrelated business taxable income, if any, would be subject to
39 the state income tax imposed under chapter 143, may, subject to the limitations provided under
40 subsection 8 of this section, receive a tax credit against any tax otherwise due under the
41 provisions of chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261,
42 chapter 147, or chapter 148, in the amount of fifty percent of any amount contributed in money
43 or property by the taxpayer to the development and reserve fund, the infrastructure development
44 fund or the export finance fund during the taxpayer's tax year, provided, however, the total tax
45 credits awarded in any calendar year beginning after January 1, 1994, shall not be the greater of
46 ten million dollars or five percent of the average growth in general revenue receipts in the
47 preceding three fiscal years. This limit may be exceeded only upon joint agreement by the
48 commissioner of administration, the director of the department of economic development, and
49 the director of the department of revenue that such action is essential to ensure retention or
50 attraction of investment in Missouri. If the board receives, as a contribution, real property, the
51 contributor at such contributor's own expense shall have two independent appraisals conducted
52 by appraisers certified by the Master Appraisal Institute. Both appraisals shall be submitted to
53 the board, and the tax credit certified by the board to the contributor shall be based upon the
54 value of the lower of the two appraisals. The board shall not certify the tax credit until the

55 property is deeded to the board. Such credit shall not apply to reserve participation fees paid by
56 borrowers under sections 100.250 to 100.297. The portion of earned tax credits which exceeds
57 the taxpayer's tax liability may be carried forward for up to five years.
58 7. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign,
59 exchange, convey or otherwise transfer tax credits allowed in subsection 6 of this section under
60 the terms and conditions prescribed in subdivisions (1) and (2) of this subsection. Such taxpayer,
61 hereinafter the assignor for the purpose of this subsection, may sell, assign, exchange or
62 otherwise transfer earned tax credits:
63 (1) For no less than seventy-five percent of the par value of such credits; and
64 (2) In an amount not to exceed one hundred percent of annual earned credits. The
65 taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection, may
66 use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise
67 imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261,
68 chapter 147, or chapter 148. Unused credits in the hands of the assignee may be carried forward
69 for up to five years, provided all such credits shall be claimed within ten years following the tax
70 years in which the contribution was made. The assignor shall enter into a written agreement with
71 the assignee establishing the terms and conditions of the agreement and shall perfect such
72 transfer by notifying the board in writing within thirty calendar days following the effective day
73 of the transfer and shall provide any information as may be required by the board to administer
74 and carry out the provisions of this section. Notwithstanding any other provision of law to the
75 contrary, the amount received by the assignor of such tax credit shall be taxable as income of the
76 assignor, and the excess of the par value of such credit over the amount paid by the assignee for
77 such credit shall be taxable as income of the assignee.
78 8. Provisions of subsections 1 to 7 of this section to the contrary notwithstanding, no
79 more than ten million dollars in tax credits provided under this section, may be authorized or
80 approved annually. The limitation on tax credit authorization and approval provided under this
81 subsection may be exceeded only upon mutual agreement, evidenced by a signed and properly
82 notarized letter, by the commissioner of the office of administration, the director of the
83 department of economic development, and the director of the department of revenue that such
84 action is essential to ensure retention or attraction of investment in Missouri provided, however,
85 that in no case shall more than twenty-five million dollars in tax credits be authorized or
86 approved during such year. Taxpayers shall file, with the board, an application for tax credits
87 authorized under this section on a form provided by the board. The provisions of this subsection
88 shall not be construed to limit or in any way impair the ability of the board to authorize tax
89 credits for issuance for projects authorized or approved, by a vote of the board, on or before the

90 thirtieth day following the effective date of this act, or a taxpayer's ability to redeem such tax
91 credits.
92 **9. Notwithstanding any other provision of law to the contrary, no tax credits shall**
93 **be issued under sections 100.250 to 100.297 after December 31, 2012, and any tax credit**
94 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**

100.297. 1. The board may authorize a tax credit, as described in this section, to the
2 owner of any revenue bonds or notes issued by the board pursuant to the provisions of sections
3 100.250 to 100.297, for infrastructure facilities as defined in subdivision (9) of section 100.255,
4 if, prior to the issuance of such bonds or notes, the board determines that:
5 (1) The availability of such tax credit is a material inducement to the undertaking of the
6 project in the state of Missouri and to the sale of the bonds or notes;
7 (2) The loan with respect to the project is adequately secured by a first deed of trust or
8 mortgage or comparable lien, or other security satisfactory to the board.
9 2. Upon making the determinations specified in subsection 1 of this section, the board
10 may declare that each owner of an issue of revenue bonds or notes shall be entitled, in lieu of any
11 other deduction with respect to such bonds or notes, to a tax credit against any tax otherwise due
12 by such owner pursuant to the provisions of chapter 143, excluding withholding tax imposed by
13 sections 143.191 to 143.261, chapter 147, or chapter 148, in the amount of one hundred percent
14 of the unpaid principal of and unpaid interest on such bonds or notes held by such owner in the
15 taxable year of such owner following the calendar year of the default of the loan by the borrower
16 with respect to the project. The occurrence of a default shall be governed by documents
17 authorizing the issuance of the bonds. The tax credit allowed pursuant to this section shall be
18 available to the original owners of the bonds or notes or any subsequent owner or owners thereof.
19 Once an owner is entitled to a claim, any such tax credits shall be transferable as provided in
20 subsection 7 of section 100.286. Notwithstanding any provision of Missouri law to the contrary,
21 any portion of the tax credit to which any owner of a revenue bond or note is entitled pursuant
22 to this section which exceeds the total income tax liability of such owner of a revenue bond or
23 note shall be carried forward and allowed as a credit against any future taxes imposed on such
24 owner within the next ten years pursuant to the provisions of chapter 143, excluding withholding
25 tax imposed by sections 143.191 to 143.261, chapter 147, or chapter 148. The eligibility of the
26 owner of any revenue bond or note issued pursuant to the provisions of sections 100.250 to
27 100.297 for the tax credit provided by this section shall be expressly stated on the face of each
28 such bond or note. The tax credit allowed pursuant to this section shall also be available to any
29 financial institution or guarantor which executes any credit facility as security for bonds issued
30 pursuant to this section to the same extent as if such financial institution or guarantor was an
31 owner of the bonds or notes, provided however, in such case the tax credits provided by this

32 section shall be available immediately following any default of the loan by the borrower with
33 respect to the project. In addition to reimbursing the financial institution or guarantor for claims
34 relating to unpaid principal and interest, such claim may include payment of any unpaid fees
35 imposed by such financial institution or guarantor for use of the credit facility.
36 3. The aggregate principal amount of revenue bonds or notes outstanding at any time
37 with respect to which the tax credit provided in this section shall be available shall not exceed
38 fifty million dollars.
39 **4. Notwithstanding any other provision of law to the contrary, no tax credits shall**
40 **be issued under this section after December 31, 2012, and any tax credit issued before**
41 **January 1, 2013, shall be redeemed before January 1, 2015.**

100.850. 1. The approved company shall remit to the board a job development
2 assessment fee, not to exceed five percent of the gross wages of each eligible employee whose
3 job was created as a result of the economic development project, or not to exceed ten percent if
4 the economic development project is located within a distressed community as defined in section
5 135.530, for the purpose of retiring bonds which fund the economic development project.
6 2. Any approved company remitting an assessment as provided in subsection 1 of this
7 section shall make its payroll books and records available to the board at such reasonable times
8 as the board shall request and shall file with the board documentation respecting the assessment
9 as the board may require.
10 3. Any assessment remitted pursuant to subsection 1 of this section shall cease on the
11 date the bonds are retired.
12 4. Any approved company which has paid an assessment for debt reduction shall be
13 allowed a tax credit equal to the amount of the assessment. The tax credit may be claimed
14 against taxes otherwise imposed by chapters 143 and 148, except withholding taxes imposed
15 under the provisions of sections 143.191 to 143.265, which were incurred during the tax period
16 in which the assessment was made.
17 5. In no event shall the aggregate amount of tax credits authorized by subsection 4 of this
18 section exceed twenty-five million dollars annually. Of such amount, nine hundred fifty
19 thousand dollars shall be reserved for an approved project for a world headquarters of a business
20 whose primary function is tax return preparation that is located in any home rule city with more
21 than four hundred thousand inhabitants and located in more than one county, which amount
22 reserved shall end in the year of the final maturity of the certificates issued for such approved
23 project.
24 6. The director of revenue shall issue a refund to the approved company to the extent that
25 the amount of credits allowed in subsection 4 of this section exceeds the amount of the approved
26 company's income tax.

7. Notwithstanding any other provision of law to the contrary, no tax credits shall be issued under sections 100.700 to 100.850 after December 31, 2012, and any tax credit issued before January 1, 2013, shall be redeemed before January 1, 2015.

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

(1) "Homestead", the dwelling in Missouri owned by the surviving spouse and not exceeding five acres of land surrounding it as is reasonably necessary for use of the dwelling as a home. As used in this section, "homestead" shall not include any dwelling which is occupied by more than two families;

(2) "Public safety officer", any firefighter, police officer, capitol police officer, parole officer, probation officer, correctional employee, water patrol officer, park ranger, conservation officer, commercial motor **vehicle** enforcement officer, emergency medical technician, first responder, or highway patrolman employed by the state of Missouri or a political subdivision thereof who is killed in the line of duty, unless the death was the result of the officer's own misconduct or abuse of alcohol or drugs;

(3) "Surviving spouse", a spouse, who has not remarried, of a public safety officer.

2. For all tax years beginning on or after January 1, 2008, a surviving spouse shall be allowed a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, in an amount equal to the total amount of the property taxes on the surviving spouse's homestead paid during the tax year for which the credit is claimed. A surviving spouse may claim the credit authorized under this section for each tax year beginning the year of death of the public safety officer spouse until the tax year in which the surviving spouse remarries. No credit shall be allowed for the tax year in which the surviving spouse remarries. If the amount allowable as a credit exceeds the income tax reduced by other credits, then the excess shall be considered an overpayment of the income tax.

3. The department of revenue shall promulgate rules to implement the provisions of this section.

[4.**]** Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.

[5. Pursuant to section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset six years after August 28, 2007, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset**] 4. Notwithstanding any other provision of law to the contrary, no tax credits shall be issued under this section after December 31, 2012, and any tax credit issued before January 1, 2013, shall be redeemed before January 1, 2015**.

135.110. 1. Any taxpayer who shall establish a new business facility shall be allowed a credit, each year for ten years, in an amount determined pursuant to subsection 2 or 3 of this section, whichever is applicable, against the tax imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or an insurance company which shall establish a new business facility by satisfying the requirements in subdivision (7) of section 135.100 shall be allowed a credit against the tax otherwise imposed by chapter 148, and in the case of an insurance company exempt from the thirty percent employee requirement of section 135.230, against any obligation imposed pursuant to section 375.916, except that no taxpayer shall be entitled to multiple ten-year periods for subsequent expansions at the same facility, except as otherwise provided in this section. For the purpose of this section, the term "facility" shall mean, and be limited to, the facility or facilities which are located on the same site in which the new business facility is located, and in which the business conducted at such facility or facilities is directly related to the business conducted at the new business facility. Notwithstanding the provisions of this subsection, a taxpayer may be entitled to an additional ten-year period if a new business facility is expanded in the eighth, ninth or tenth year of the current ten-year period or in subsequent years following the expiration of the ten-year period, if the number of new business facility employees attributed to such expansion is at least twenty-five and the amount of new business facility investment attributed to such expansion is at least one million dollars. Credits may not be carried forward but shall be claimed for the taxable year during which commencement of commercial operations occurs at such new business facility, and for each of the nine succeeding taxable years. A letter of intent, as provided for in section 135.258, must be filed with the department of economic development no later than fifteen days prior to the commencement of commercial operations at the new business facility. The initial application for claiming tax credits must be made in the taxpayer's tax period immediately following the tax period in which commencement of commercial operations began at the new business facility. This provision shall have effect on all initial applications filed on or after August 28, 1992. No credit shall be allowed pursuant to this section unless the number of new business facility employees engaged or maintained in employment at the new business facility for the taxable year

29 for which the credit is claimed equals or exceeds two; except that the number of new business
30 facility employees engaged or maintained in employment by a revenue-producing enterprise
31 other than a revenue-producing enterprise defined in paragraphs (a) to (g) and (i) to (l) of
32 subdivision (11) of section 135.100 which establishes an office as defined in subdivision (8) of
33 section 135.100 shall equal or exceed twenty-five.
34 2. For tax periods beginning after August 28, 1991, in the case of a taxpayer operating
35 an existing business facility, the credit allowed by subsection 1 of this section shall offset the
36 greater of:
37 (1) Some portion of the income tax otherwise imposed by chapter 143, excluding
38 withholding tax imposed by sections 143.191 to 143.265, or in the case of an insurance company,
39 the tax on the direct premiums, as defined in chapter 148, and in the case of an insurance
40 company exempt from the thirty percent employee requirement of section 135.230, against any
41 obligation imposed pursuant to section 375.916 with respect to such taxpayer's new business
42 facility income for the taxable year for which such credit is allowed; or
43 (2) Up to fifty percent or, in the case of an economic development project located within
44 a distressed community as defined in section 135.530, seventy-five percent of the business
45 income tax otherwise imposed by chapter 143, excluding withholding tax imposed by sections
46 143.191 to 143.265, or in the case of an insurance company, the tax on the direct premiums, as
47 defined in chapter 148, and in the case of an insurance company exempt from the thirty percent
48 employee requirement of section 135.230, against any obligation imposed pursuant to section
49 375.916 if the business operates no other facilities in Missouri. In the case of an existing
50 business facility operating more than one facility in Missouri, the credit allowed in subsection
51 1 of this section shall offset up to the greater of the portion prescribed in subdivision (1) of this
52 subsection or twenty-five percent or, in the case of an economic development project located
53 within a distressed community as defined in section 135.530, thirty-five percent of the business'
54 tax, except that no taxpayer operating more than one facility in Missouri shall be allowed to
55 offset more than twenty-five percent or, in the case of an economic development project located
56 within a distressed community as defined in section 135.530, thirty-five percent of the taxpayer's
57 business income tax in any tax period under the method prescribed in this subdivision. Such
58 credit shall be an amount equal to the sum of one hundred dollars or, in the case of an economic
59 development project located within a distressed community as defined in section 135.530, one
60 hundred fifty dollars for each new business facility employee plus one hundred dollars or, in the
61 case of an economic development project located within a distressed community as defined in
62 section 135.530, one hundred fifty dollars for each one hundred thousand dollars, or major
63 fraction thereof (which shall be deemed to be fifty-one percent or more) in new business facility
64 investment. For the purpose of this section, tax credits earned by a taxpayer, who establishes a

new business facility because it satisfies the requirements of paragraph (c) of subdivision (4) of section 135.100, shall offset the greater of the portion prescribed in subdivision (1) of this subsection or up to fifty percent or, in the case of an economic development project located within a distressed community as defined in section 135.530, seventy-five percent of the business' tax provided the business operates no other facilities in Missouri. In the case of a business operating more than one facility in Missouri, the credit allowed in subsection 1 of this section shall offset up to the greater of the portion prescribed in subdivision (1) of this subsection or twenty-five percent or, in the case of an economic development project located within a distressed community as defined in section 135.530, thirty-five percent of the business' tax, except that no taxpayer operating more than one facility in Missouri shall be allowed to offset more than twenty-five percent or, in the case of an economic development project located within a distressed community as defined in section 135.530, thirty-five percent of the taxpayer's business income tax in any tax period under the method prescribed in this subdivision.

3. For tax periods beginning after August 28, 1991, in the case of a taxpayer not operating an existing business facility, the credit allowed by subsection 1 of this section shall offset the greater of:

(1) Some portion of the income tax otherwise imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or in the case of an insurance company, the tax on the direct premiums, as defined in chapter 148, and in the case of an insurance company exempt from the thirty percent employee requirement of section 135.230, against any obligation imposed pursuant to section 375.916 with respect to such taxpayer's new business facility income for the taxable year for which such credit is allowed; or

(2) Up to one hundred percent of the business income tax otherwise imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or in the case of an insurance company, the tax on the direct premiums, as defined in chapter 148, and in the case of an insurance company exempt from the thirty percent employee requirement of section 135.230, against any obligation imposed pursuant to section 375.916 if the business has no other facilities operating in Missouri. In the case of a taxpayer not operating an existing business and operating more than one facility in Missouri, the credit allowed by subsection 1 of this section shall offset up to the greater of the portion prescribed in subdivision (1) of this subsection or twenty-five percent or, in the case of an economic development project located within a distressed community as defined in section 135.530, thirty-five percent of the business' tax, except that no taxpayer operating more than one facility in Missouri shall be allowed to offset more than twenty-five percent or, in the case of an economic development project located within a distressed community as defined in section 135.530, thirty-five percent of the taxpayer's business income tax in any tax period under the method prescribed in this subdivision. Such

credit shall be an amount equal to the sum of seventy-five dollars or, in the case of an economic development project located within a distressed community as defined in section 135.530, one hundred twenty-five dollars for each new business facility employee plus seventy-five dollars or, in the case of an economic development project located within a distressed community as defined in section 135.530, one hundred twenty-five dollars for each one hundred thousand dollars, or major fraction thereof (which shall be deemed to be fifty-one percent or more) in new business facility investment.

4. The number of new business facility employees during any taxable year shall be determined by dividing by twelve the sum of the number of individuals employed on the last business day of each month of such taxable year. If the new business facility is in operation for less than the entire taxable year, the number of new business facility employees shall be determined by dividing the sum of the number of individuals employed on the last business day of each full calendar month during the portion of such taxable year during which the new business facility was in operation by the number of full calendar months during such period. For the purpose of computing the credit allowed by this section in the case of a facility which qualifies as a new business facility because it qualifies as a separate facility pursuant to subsection 6 of this section, and, in the case of a new business facility which satisfies the requirements of paragraph (c) of subdivision (4) of section 135.100, or subdivision (10) of section 135.100, the number of new business facility employees at such facility shall be reduced by the average number of individuals employed, computed as provided in this subsection, at the facility during the taxable year immediately preceding the taxable year in which such expansion, acquisition, or replacement occurred and shall further be reduced by the number of individuals employed by the taxpayer or related taxpayer that was subsequently transferred to the new business facility from another Missouri facility and for which credits authorized in this section are not being earned, whether such credits are earned because of an expansion, acquisition, relocation or the establishment of a new facility.

5. For the purpose of computing the credit allowed by this section in the case of a facility which qualifies as a new business facility because it qualifies as a separate facility pursuant to subsection 6 of this section, and, in the case of a new business facility which satisfies the requirements of paragraph (c) of subdivision (4) of section 135.100 or subdivision (10) of section 135.100, the amount of the taxpayer's new business facility investment in such facility shall be reduced by the average amount, computed as provided in subdivision (7) of section 135.100 for new business facility investment, of the investment of the taxpayer, or related taxpayer immediately preceding such expansion or replacement or at the time of acquisition. Furthermore, the amount of the taxpayer's new business facility investment shall also be reduced by the amount of investment employed by the taxpayer or related taxpayer which was

137 subsequently transferred to the new business facility from another Missouri facility and for which
138 credits authorized in this section are not being earned, whether such credits are earned because
139 of an expansion, acquisition, relocation or the establishment of a new facility.
140 6. If a facility, which does not constitute a new business facility, is expanded by the
141 taxpayer, the expansion shall be considered a separate facility eligible for the credit allowed by
142 this section if:
143 (1) The taxpayer's new business facility investment in the expansion during the tax
144 period in which the credits allowed in this section are claimed exceeds one hundred thousand
145 dollars, or, if less, one hundred percent of the investment in the original facility prior to
146 expansion and if the number of new business facility employees engaged or maintained in
147 employment at the expansion facility for the taxable year for which credit is claimed equals or
148 exceeds two, except that the number of new business facility employees engaged or maintained
149 in employment at the expansion facility for the taxable year for which the credit is claimed
150 equals or exceeds twenty-five if an office as defined in subdivision (8) of section 135.100 is
151 established by a revenue-producing enterprise other than a revenue-producing enterprise defined
152 in paragraphs (a) to (g) and (i) to (l) of subdivision (11) of section 135.100 and the total number
153 of employees at the facility after the expansion is at least two greater than the total number of
154 employees before the expansion, except that the total number of employees at the facility after
155 the expansion is at least greater than the number of employees before the expansion by
156 twenty-five, if an office as defined in subdivision (8) of section 135.100 is established by a
157 revenue-producing enterprise other than a revenue-producing enterprise defined in paragraphs
158 (a) to (g) and (i) to (l) of subdivision (11) of section 135.100; and
159 (2) The expansion otherwise constitutes a new business facility. The taxpayer's
160 investment in the expansion and in the original facility prior to expansion shall be determined
161 in the manner provided in subdivision (7) of section 135.100.
162 7. No credit shall be allowed pursuant to this section to a public utility, as such term is
163 defined in section 386.020. Notwithstanding any provision of this subsection to the contrary,
164 motor carriers, barge lines or railroads engaged in transporting property for hire, or any
165 interexchange telecommunications company or local exchange telecommunications company
166 that establishes a new business facility shall be eligible to qualify for credits allowed in this
167 section.
168 8. For the purposes of the credit described in this section, in the case of a corporation
169 described in section 143.471 or partnership, in computing Missouri's tax liability, this credit shall
170 be allowed to the following:
171 (1) The shareholders of the corporation described in section 143.471;

172 (2) The partners of the partnership. This credit shall be apportioned to the entities
173 described in subdivisions (1) and (2) of this subsection in proportion to their share of ownership
174 on the last day of the taxpayer's tax period.
175 9. Notwithstanding any provision of law to the contrary, any employee-owned
176 engineering firm classified as SIC 8711, architectural firm as classified SIC 8712, or accounting
177 firm classified SIC 8721 establishing a new business facility because it qualifies as a
178 headquarters as defined in subsection 10 of this section, shall be allowed the credits described
179 in subsection 11 of this section under the same terms and conditions prescribed in sections
180 135.100 to 135.150; provided:
181 (1) Such facility maintains an average of at least five hundred new business facility
182 employees as defined in subdivision (5) of section 135.100 during the taxpayer's tax period in
183 which such credits are being claimed; and
184 (2) Such facility maintains an average of at least twenty million dollars in new business
185 facility investment as defined in subdivision (7) of section 135.100 during the taxpayer's tax
186 period in which such credits are being claimed.
187 10. For the purpose of the credits allowed in subsection 9 of this section:
188 (1) "Employee-owned" means the business employees own directly or indirectly,
189 including through an employee stock ownership plan or trust at least:
190 (a) Seventy-five percent of the total business stock, if the taxpayer is a corporation
191 described in section 143.441; or
192 (b) One hundred percent of the interest in the business if the taxpayer is a corporation
193 described in section 143.471, a partnership, or a limited liability company; and
194 (2) "Headquarters" means:
195 (a) The administrative management of at least three integrated facilities operated by the
196 taxpayer or related taxpayer; and
197 (b) The taxpayer's business has been headquartered in this state for more than fifty years.
198 11. The tax credits allowed in subsection 9 of this section shall be the greater of:
199 (1) Four hundred dollars for each new business facility employee as computed in
200 subsection 4 of this section and four percent of new business facility investment as computed in
201 subsection 5 of this section; or
202 (2) Five hundred dollars for each new business facility employee as computed in
203 subsection 4 of this section, and five hundred dollars of each one hundred thousand dollars of
204 new business facility investment as computed in subsection 5 of this section.
205 12. For the purpose of the credit described in subsection 9 of this section, in the case of
206 a small corporation described in section 143.471, or a partnership, or a limited liability company,
207 the credits allowed in subsection 9 of this section shall be apportioned in proportion to the share

208 of ownership of each shareholder, partner or stockholder on the last day of the taxpayer's tax
209 period for which such credits are being claimed.
210 13. For the purpose of the credit described in subsection 9 of this section, tax credits
211 earned, to the extent such credits exceed the taxpayer's Missouri tax on taxable business income,
212 shall constitute an overpayment of taxes and in such case, be refunded to the taxpayer provided
213 such refunds are used by the taxpayer to purchase specified facility items. For the purpose of the
214 refund as authorized in this subsection, "specified facility items" means equipment, computers,
215 computer software, copiers, tenant finishing, furniture and fixtures installed and in use at the new
216 business facility during the taxpayer's taxable year. The taxpayer shall perfect such refund by
217 attesting in writing to the director, subject to the penalties of perjury, the requirements prescribed
218 in this subsection have been met and submitting any other information the director may require.
219 14. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign,
220 exchange, convey or otherwise transfer tax credits allowed in subsection 9 of this section under
221 the terms and conditions prescribed in subdivisions (1) and (2) of this subsection. Such taxpayer,
222 referred to as the assignor for the purpose of this subsection, may sell, assign, exchange or
223 otherwise transfer earned tax credits:
224 (1) For no less than seventy-five percent of the par value of such credits; and
225 (2) In an amount not to exceed one hundred percent of such earned credits. The taxpayer
226 acquiring the earned credits referred to as the assignee for the purpose of this subsection may use
227 the acquired credits to offset up to one hundred percent of the tax liabilities otherwise imposed
228 by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261, or chapter
229 148, or in the case of an insurance company exempt from the thirty percent employee
230 requirement of section 135.230, against any obligation imposed pursuant to section 375.916.
231 Unused credits in the hands of the assignee may be carried forward for up to five tax periods,
232 provided all such credits shall be claimed within ten tax periods following the tax period in
233 which commencement of commercial operations occurred at the new business facility. The
234 assignor shall enter into a written agreement with the assignee establishing the terms and
235 conditions of the agreement and shall perfect such transfer by notifying the director in writing
236 within thirty calendar days following the effective date of the transfer and shall provide any
237 information as may be required by the director to administer and carry out the provisions of this
238 subsection. Notwithstanding any other provision of law to the contrary, the amount received by
239 the assignor of such tax credit shall be taxable as income of the assignor, and the difference
240 between the amount paid by the assignee and the par value of the credits shall be taxable as
241 income of the assignee.

242 **15. Notwithstanding any other provision of law to the contrary, no tax credits shall**
243 **be issued under sections 135.100 to 135.150 after December 31, 2012, and any tax credit**
244 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**

135.220. 1. The provisions of chapter 143 notwithstanding, one-half of the Missouri
2 taxable income attributed to a new business facility in an enterprise zone which is earned by a
3 taxpayer establishing and operating a new business facility located within an enterprise zone
4 shall be exempt from taxation under chapter 143. A taxpayer operating a revenue producing
5 enterprise as defined in paragraph (d) of subdivision (6) of section 135.200 may elect to exempt
6 from taxation under chapter 143 one-half of the Missouri taxable income attributed to a new
7 business facility in an enterprise zone or may elect to claim a fifty-dollar credit against the tax
8 imposed under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265,
9 for each room constructed for use as a bedroom for each qualifying residential unit. A
10 "bedroom" is defined as a structurally separate room used primarily for sleeping, and not as a
11 living room, dining room, kitchen or closet. That portion of income attributed to the new
12 business facility shall be determined in a manner prescribed in paragraph (b) of subdivision (6)
13 of section 135.100, except that compensation paid to truck drivers, or rail or barge vehicle
14 operators shall be excluded from the fraction.
15 2. In the case of a small corporation described in section 143.471 or a partnership, in
16 computing the Missouri taxable income of the taxpayers described in subdivisions (1) and (2)
17 of this subsection, a deduction apportioned in proportion to their share of ownership of the
18 business on the last day of the taxpayer's tax period for which such tax credits are being claimed,
19 shall be allowed from their Missouri adjusted gross income in the amount of one-half of the
20 Missouri taxable income earned by the new business facility, as determined by the method
21 prescribed in subsection 1 of this section located within the enterprise zone, as defined in this
22 section, to the following:
23 (1) The shareholders of a small corporation described in section 143.471;
24 (2) The partners in a partnership.
25 **3. Notwithstanding any other provision of law to the contrary, no tax credits shall**
26 **be issued under sections 135.200 to 135.256 after December 31, 2012, and any tax credit**
27 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**

135.225. 1. The credits otherwise provided by sections 135.100 to 135.150 shall upon
2 proper application be granted to any taxpayer who shall establish and operate a new business
3 facility located within an enterprise zone, except one designated pursuant to subsection 5 of
4 section 135.230, on the same terms and conditions specified in those sections, except that:
5 (1) The credit otherwise allowed for each new business facility employee employed
6 within an enterprise zone shall be four hundred dollars;

7 (2) An additional credit of four hundred dollars shall be granted for each twelve-month
8 period that a new business facility employee is a resident of an enterprise zone;
9 (3) An additional credit of four hundred dollars shall be granted for each twelve-month
10 period that the person employed as a new business facility employee is a person who, at the time
11 of such employment by the new business facility, met the criteria as set forth in section 135.240;
12 (4) The credit otherwise allowed for new business facility investment shall be equal to
13 the sum of ten percent of the first ten thousand dollars of such qualifying investment, plus five
14 percent of the next ninety thousand dollars of such qualifying investment, plus two percent of
15 all remaining qualifying investments within an enterprise zone;
16 (5) In the case of a small corporation described in section 143.471 or a partnership, the
17 credits granted by this section shall be apportioned in proportion to the share of ownership of the
18 taxpayer on the last day of the taxpayer's tax period for which such tax credits are being claimed,
19 to the following:
20 (a) The shareholders of a small corporation described in section 143.471;
21 (b) The partners in a partnership;
22 (6) In the case of financial institutions described pursuant to the provisions of chapter
23 148, the credits allowed in subdivisions (1), (2), (3) and (4) of this subsection and the credit
24 allowed in section 135.235 may be used to offset the tax imposed by chapter 148 and, in the case
25 of an insurance company exempt from the thirty-percent employee requirement of section
26 135.230, any obligations imposed pursuant to section 375.916 subject to the same method of
27 apportionment as prescribed for taxes imposed by chapter 143 and as provided in subdivision
28 (6) of section 135.100 and subsections 2 and 3 of section 135.110;
29 (7) If a facility within an enterprise zone, which does not constitute a new business
30 facility, is expanded or improved by the taxpayer within the enterprise zone, the expansion or
31 improvement shall be considered a separate facility eligible for the credits allowed in this section
32 and section 135.235, and the exemption allowed in section 135.220, if:
33 (a) The new business facility investment in the expansion or improvement during the tax
34 period in which such credits and the exemption are claimed exceeds one hundred thousand
35 dollars or, if less than one hundred thousand dollars, is twenty-five percent of the investment in
36 the original facility prior to expansion or improvement; and
37 (b) The expansion or improvement otherwise constitutes a new business facility; and
38 (c) The number of new business facility employees engaged or maintained in
39 employment at the expanded or improved facility for the taxable year for which the credit is
40 claimed equals or exceeds two and the total number of employees at the facility after expansion
41 or improvement is at least two greater than the total number of employees before expansion or
42 improvement. The taxpayer's investment in the expansion or improvement and in the original

43 facility prior to expansion or improvement shall be determined in the manner provided in
44 subdivision (7) of section 135.100;
45 (8) For the purpose of sections 135.200 to 135.256, an office as defined in subdivision
46 (8) of section 135.100, when established, must create and maintain at least two new business
47 facility employees as defined in subdivision (5) of section 135.100;
48 (9) In the case where a person employed by the new business facility is a resident of the
49 enterprise zone for less than a twelve-month period, or in the case where a person employed as
50 a new business facility employee is a person who, at the time of such employment by the new
51 business facility, met the criteria as set forth in section 135.240, is employed for less than a
52 twelve-month period, the credits allowed by subdivisions (2) and (3) of this subsection shall be
53 determined by multiplying four hundred dollars by a fraction, the numerator of which is the
54 number of calendar days during the taxpayer's tax year for which such credits are claimed, in
55 which the person met the requirements prescribed in subdivision (2) or (3) of this subsection, and
56 the denominator of which is three hundred and sixty-five, except that such credit shall not exceed
57 four hundred dollars per employee in any one taxable year;
58 (10) The deferment of tax credit authorized in section 135.120 shall not be available to
59 taxpayers establishing a new business facility in an enterprise zone;
60 (11) The allowance for additional ten-year periods to certain new business facilities as
61 prescribed in subsection 1 of section 135.110 shall not be available to taxpayers expanding a new
62 business facility in an enterprise zone, except that any taxpayer who has been eligible to earn
63 enterprise zone tax benefits for ten tax periods, or until the expiration of the fifteen-year period
64 as prescribed in subsection 1 of section 135.230, or for the maximum period otherwise allowed
65 by law, may qualify for the tax credits allowed in section 135.110 if otherwise eligible, pursuant
66 to the same terms and conditions prescribed in sections 135.100 to 135.150;
67 (12) Taxpayers who establish a new business facility by operating a revenue-producing
68 enterprise as defined in paragraph (d) of subdivision (6) of section 135.200 shall not be required
69 to create and maintain new business facility employees.
70 2. The tax credits described in subdivisions (1), (2), (3) and (4) of subsection 1 of this
71 section, the training credit allowed in section 135.235, and the income exemption allowed in
72 section 135.220, shall be allowed to any taxpayer, under the same terms and conditions specified
73 in such sections, who establishes a new business facility in an enterprise zone designated
74 pursuant to subsection 5 of section 135.230, except that all such tax benefits shall be removed
75 not later than seven years after the enterprise zone is designated as such.
76 3. Notwithstanding any provision of law to the contrary, any taxpayer who establishes
77 a new business facility in an enterprise zone, may elect to forfeit the tax credits otherwise
78 allowed in section 135.235 and this section and the exemptions otherwise allowed in sections

135.215 and 135.220 and the refund otherwise allowed in section 135.245, and in lieu thereof, claim the tax credits allowed in section 135.110, pursuant to the same terms and conditions prescribed in sections 135.100 to 135.150. To perfect the election, the taxpayer shall attach written notification of such election to the taxpayer's initial application for claiming tax credits. The election shall be irreversible once perfected.

4. The right to receive the income exemption described in section 135.220, the tax credits described in subsection 1 of this section and the training credit allowed in section 135.235 shall vest in the taxpayer upon commencement of operations of the revenue-producing enterprise, but such vested right shall be waived by the taxpayer for any given year in which the terms and conditions of sections 135.100 to 135.268 are not met. Representations made by the department and relied upon in good faith by the taxpayer shall be binding upon the state of Missouri insofar as they are consistent with the provisions of this chapter. **[**The provisions of this subsection shall apply to all revenue-producing enterprises which are eligible for incentives pursuant to this subsection and which commenced operation on or after January 1, 1996, to the extent such incentives do not exceed the fifteen-year limitation pursuant to subsection 1 of section 135.230 or the seven-year limitation pursuant to subsection 5 of section 135.230.**]** The provisions of this subsection shall apply to all revenue-producing enterprises which are eligible for the incentives set forth in this subsection, and which began operation **on or** after January 1, 1996, to the extent such incentives do not exceed the fifteen-year limitation set forth in subsection 1 of section 135.230, or the seven-year limit set forth in subsection 5 of section 135.230.

5. Notwithstanding any other provision of law to the contrary, no tax credits shall be issued under sections 135.200 to 135.256 after December 31, 2012, and any tax credit issued before January 1, 2013, shall be redeemed before January 1, 2015.

135.235. **1.** To the extent that expenses incurred by a new business facility in an enterprise zone for the training of persons employed in the operation of the new business facility is not covered by an existing federal, state or local program, such new business facility shall be eligible for a full tax credit equal to eighty percent of that portion of such training expenses which are in excess of four hundred dollars for each trainee who is a resident of the enterprise zone or who was at the time of such employment at the new business facility unemployable or difficult to employ as defined in section 135.240, provided such credit shall not exceed four hundred dollars for each employee trained. In the case of a small corporation described in section 143.471 or a partnership, all credits allowed by this section shall be apportioned in proportion to the share of ownership of the business to the following:

(1) The shareholders of the corporation described in section 143.471; or

(2) The partners in a partnership.

13 **2. Notwithstanding any other provision of law to the contrary, no tax credits shall**
14 **be issued under sections 135.200 to 135.256 after December 31, 2012, and any tax credit**
15 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**

135.279. 1. Any taxpayer that operates an approved retained business facility in an
2 enterprise zone may be allowed a credit, each year for ten years, in an amount determined
3 pursuant to subsection 2 or 3 of this section, whichever is applicable, against the tax imposed by
4 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, as follows:
5 (1) The credit allowed for each retained business facility employee shall be four hundred
6 dollars, except that for each retained business facility employee that exceeds the level of
7 employment set forth in paragraph (b) of subdivision (7) of section 135.276, the credit shall be
8 five hundred dollars. Transfers from another facility operated by the taxpayer in the state will
9 not count as retained business facility employees;
10 (2) An additional credit of four hundred dollars shall be granted for each twelve-month
11 period that a retained business facility employee is a resident of an enterprise zone;
12 (3) An additional credit of four hundred dollars shall be granted for each twelve-month
13 period that the person employed as a retained business facility employee is a person who, at the
14 time of such employment by the new business facility, met the criteria as set forth in section
15 135.240;
16 (4) To the extent that expenses incurred by a retained business facility in an enterprise
17 zone for the training of persons employed in the operation of the retained business facility is not
18 covered by an existing federal, state, or local program, such retained business facility shall be
19 eligible for a full tax credit equal to eighty percent of that portion of such training expenses
20 which are in excess of four hundred dollars for each trainee who is a resident of an enterprise
21 zone or who was at the time of such employment at the retained business facility unemployable
22 or difficult to employ as defined in section 135.240, provided such credit shall not exceed four
23 hundred dollars for each employee trained;
24 (5) The credit allowed for retained business facility investment shall be equal to the sum
25 of ten percent of the first ten thousand dollars of such qualifying investment, plus five percent
26 of the next ninety thousand dollars of such qualifying investment, plus two percent of all
27 remaining qualifying investments within an enterprise zone. The taxpayer's retained business
28 facility investment shall be reduced by the amount of investment made by the taxpayer or related
29 taxpayer which was subsequently transferred to the retained business facility from another
30 Missouri facility and for which credits authorized in this section are not being earned.
31 2. The credits allowed by subsection 1 of this section shall offset the greater of:

32 (1) Some portion of the income tax otherwise imposed by chapter 143, excluding
33 withholding tax imposed by sections 143.191 to 143.265, with respect to such taxpayer's retained
34 business facility income for the taxable year for which such credit is allowed; or
35 (2) If the taxpayer operates no other facility in Missouri, the credits allowed in
36 subsection 1 of this section shall offset up to fifty percent or, in the case of an economic
37 development project located within a distressed community as defined in section 135.530,
38 seventy-five percent of the business income tax otherwise imposed by chapter 143, excluding
39 withholding tax imposed by sections 143.191 to 143.265, if the business operates no other
40 facilities in Missouri;
41 (3) If the taxpayer operates more than one facility in Missouri, the credits allowed in
42 subsection 1 of this section shall offset up to the greater of the portion prescribed in subdivision
43 (1) of this subsection or twenty-five percent or, in the case of an economic development project
44 located within a distressed community as defined in section 135.530, thirty-five percent of the
45 business' tax, except that no taxpayer operating more than one facility in Missouri shall be
46 allowed to offset more than twenty-five percent or, in the case of an economic development
47 project located within a distressed community as defined in section 135.530, thirty-five percent
48 of the taxpayer's business income tax in any tax period under the method prescribed in this
49 subdivision.
50 3. In the case where a person employed by the retained business facility is a resident of
51 the enterprise zone for less than a twelve-month period, or in the case where a person employed
52 as a retained business facility employee is a person who, at the time of such employment by the
53 retained business facility, met the criteria as set forth in section 135.240, is employed for less
54 than a twelve-month period, the credits allowed by subdivisions (2) and (3) of subsection 1 of
55 this section shall be determined by multiplying the dollar amount of the credit by a fraction, the
56 numerator of which is the number of calendar days during the taxpayer's tax year for which such
57 credits are claimed, in which the person met the requirements prescribed in subdivision (2) or
58 (3) of this subsection, and the denominator of which is three hundred sixty-five.
59 4. Notwithstanding any provision of law to the contrary, any taxpayer who claims the
60 exemption and credits allowed in sections 135.276 to 135.283 shall not be eligible to receive the
61 exemption allowed in section 135.220, the credits allowed in sections 135.225 and 135.235, and
62 the refund authorized by section 135.245 or the tax credits allowed in section 135.110. The
63 taxpayer must elect among the options. To perfect the election, the taxpayer shall attach written
64 notification of such election to the taxpayer's initial application for claiming tax credits. The
65 election shall be irreversible once perfected.
66 5. A taxpayer shall not receive the income exemption described in section 135.276 and
67 the tax credits described in subsection 1 of this section for any year in which the terms and

68 conditions of sections 135.276 to 135.283 are not met. Such incentives shall not exceed the
69 fifteen-year limitation pursuant to subsection 1 of section 135.230 or the seven-year limitation
70 pursuant to subsection 5 of section 135.230.
71 6. The initial application for claiming tax credits must be made in the taxpayer's tax
72 period immediately following the tax period in which commencement of commercial operations
73 began at the new business facility.
74 7. Credits may not be carried forward but shall be claimed for the taxable year during
75 which continuation of commercial operations occurs at such retained business facility, and for
76 each of the nine succeeding taxable years.
77 **8. Notwithstanding any other provision of law to the contrary, no tax credits shall**
78 **be issued under sections 135.276 to 135.283 after December 31, 2012, and any tax credit**
79 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**

135.305. **1.** A Missouri wood energy producer shall be eligible for a tax credit on taxes
2 otherwise due under chapter 143, except sections 143.191 to 143.261, as a production incentive
3 to produce processed wood products in a qualified wood-producing facility using Missouri forest
4 product residue. The tax credit to the wood energy producer shall be five dollars per ton of
5 processed material. The credit may be claimed for a period of five years and is to be a tax credit
6 against the tax otherwise due. **[**No new tax credits, provided for under sections 135.300 to
7 135.311, shall be authorized after June 30, 2013.**]**
8 **2. Notwithstanding any other provision of law to the contrary, no tax credits shall**
9 **be issued under sections 135.300 to 135.311 after December 31, 2012, and any tax credit**
10 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**

135.313. 1. Any person, firm or corporation who engages in the business of producing
2 charcoal or charcoal products in the state of Missouri shall be eligible for a tax credit on income
3 taxes otherwise due pursuant to chapter 143, except sections 143.191 to 143.261, as an incentive
4 to implement safe and efficient environmental controls. The tax credit shall be equal to fifty
5 percent of the purchase price of the best available control technology equipment connected with
6 the production of charcoal in the state of Missouri or, if the taxpayer manufactures such
7 equipment, fifty percent of the manufacturing cost of the equipment, to and including the year
8 the equipment is put into service. The credit may be claimed for a period of eight years
9 beginning with the 1998 calendar year and is to be a tax credit against the tax otherwise due.
10 2. Any amount of credit which exceeds the tax due shall not be refunded but may be
11 carried over to any subsequent taxable year, not to exceed seven years.
12 3. The charcoal producer may elect to assign to a third party the approved tax credit.
13 Certification of assignment and other appropriate forms must be filed with the Missouri
14 department of revenue and the department of economic development.

4. When applying for a tax credit, the charcoal producer specified in subsection 1 of this section shall make application for the credit to the division of environmental quality of the department of natural resources. The application shall identify the specific best available control technology equipment and the purchase price, or manufacturing cost of such equipment. The director of the department of natural resources is authorized to require permits to construct prior to the installation of best available control technology equipment and other information which he or she deems appropriate.

5. The director of the department of natural resources in conjunction with the department of economic development shall certify to the department of revenue that the best available control technology equipment meets the requirements to obtain a tax credit as specified in this section.

6. Notwithstanding any other provision of law to the contrary, no tax credits shall be issued under this section after December 31, 2012, and any tax credit issued before January 1, 2013, shall be redeemed before January 1, 2015.

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

(1) "CASA", an entity which receives funding from the court-appointed special advocate fund established under section 476.777, including an association based in this state, affiliated with a national association, organized to provide support to entities receiving funding from the court-appointed special advocate fund;

(2) "Child advocacy centers", the regional child assessment centers listed in subsection 2 of section 210.001;

(3) "Contribution", amount of **a** donation to **a** qualified agency;

(4) "Crisis care center", entities contracted with this state which provide temporary care for children whose age ranges from birth through seventeen years of age whose parents or guardian are experiencing an unexpected and unstable or serious condition that requires immediate action resulting in short-term care, usually three to five continuous, uninterrupted days, for children who may be at risk for child abuse, neglect, or in an emergency situation;

(5) "Department", the department of revenue;

(6) "Director", the director of the department of revenue;

(7) "Qualified agency", CASA, child advocacy centers, or a crisis care center;

(8) "Tax liability", the tax due under chapter 143 other than taxes withheld under sections 143.191 to 143.265.

2. Any person residing in this state who legally adopts a special needs child on or after January 1, 1988, and before January 1, 2000, shall be eligible to receive a tax credit of up to ten thousand dollars for nonrecurring adoption expenses for each child adopted that may be applied to taxes due under chapter 143. Any business entity providing funds to an employee to enable

23 that employee to legally adopt a special needs child shall be eligible to receive a tax credit of up
24 to ten thousand dollars for nonrecurring adoption expenses for each child adopted that may be
25 applied to taxes due under such business entity's state tax liability, except that only one ten
26 thousand dollar credit is available for each special needs child that is adopted.
27 3. Any person residing in this state who proceeds in good faith with the adoption of a
28 special needs child on or after January 1, 2000, shall be eligible to receive a tax credit of up to
29 ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to
30 taxes due under chapter 143; provided, however, that beginning on or after July 1, 2004, two
31 million dollars of the tax credits allowed shall be allocated for the adoption of special needs
32 children who are residents or wards of residents of this state at the time the adoption is initiated.
33 Any business entity providing funds to an employee to enable that employee to proceed in good
34 faith with the adoption of a special needs child shall be eligible to receive a tax credit of up to
35 ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to
36 taxes due under such business entity's state tax liability, except that only one ten thousand dollar
37 credit is available for each special needs child that is adopted.
38 4. Individuals and business entities may claim a tax credit for their total nonrecurring
39 adoption expenses in each year that the expenses are incurred. A claim for fifty percent of the
40 credit shall be allowed when the child is placed in the home. A claim for the remaining fifty
41 percent shall be allowed when the adoption is final. The total of these tax credits shall not
42 exceed the maximum limit of ten thousand dollars per child. The cumulative amount of tax
43 credits which may be claimed by taxpayers claiming the credit for nonrecurring adoption
44 expenses in any one fiscal year prior to July 1, 2004, shall not exceed two million dollars. The
45 cumulative amount of tax credits that may be claimed by taxpayers claiming the credit for
46 nonrecurring adoption expenses shall not be more than four million dollars but may be increased
47 by appropriation in any fiscal year beginning on or after July 1, 2004; provided, however, that
48 by December thirty-first following each July, if less than two million dollars in credits have been
49 issued for adoption of special needs children who are not residents or wards of residents of this
50 state at the time the adoption is initiated, the remaining amount of the cap shall be available for
51 the adoption of special needs children who are residents or wards of residents of this state at the
52 time the adoption is initiated. For all fiscal years beginning on or after July 1, 2006, applications
53 to claim the adoption tax credit for special needs children who are residents or wards of residents
54 of this state at the time the adoption is initiated shall be filed between July first and April
55 fifteenth of each fiscal year. For all fiscal years beginning on or after July 1, 2006, applications
56 to claim the adoption tax credit for special needs children who are not residents or wards of
57 residents of this state at the time the adoption is initiated shall be filed between July first and
58 December thirty-first of each fiscal year.

59 5. Notwithstanding any provision of law to the contrary, any individual or business entity
60 may assign, transfer or sell tax credits allowed in this section. Any sale of tax credits claimed
61 pursuant to this section shall be at a discount rate of seventy-five percent or greater of the amount
62 sold.
63 6. The director of revenue shall establish a procedure by which, for each fiscal year, the
64 cumulative amount of tax credits authorized in this section is equally apportioned among all
65 taxpayers within the two categories specified in subsection 3 of this section claiming the credit
66 in that fiscal year. To the maximum extent possible, the director of revenue shall establish the
67 procedure described in this subsection in such a manner as to ensure that taxpayers within each
68 category can claim all the tax credits possible up to the cumulative amount of tax credits
69 available for the fiscal year.
70 7. For all tax years beginning on or after January 1, 2006, a tax credit may be claimed
71 in an amount equal to up to fifty percent of a verified contribution to a qualified agency and shall
72 be named the children in crisis tax credit. The minimum amount of any tax credit issued shall
73 not be less than fifty dollars and shall be applied to taxes due under chapter 143, excluding
74 sections 143.191 to 143.265. A contribution verification shall be issued to the taxpayer by the
75 agency receiving the contribution. Such contribution verification shall include the taxpayer's
76 name, Social Security number, amount of tax credit, amount of contribution, the name and
77 address of the agency receiving the credit, and the date the contribution was made. The tax credit
78 provided under this subsection shall be initially filed for the year in which the verified
79 contribution is made.
80 8. The cumulative amount of the tax credits redeemed shall not exceed the unclaimed
81 portion of the resident adoption category allocation as described in this section. The director of
82 revenue shall determine the unclaimed portion available. The amount available shall be equally
83 divided among the three qualified agencies: CASA, child advocacy centers, or crisis care centers
84 to be used towards tax credits issued. In the event tax credits claimed under one agency do not
85 total the allocated amount for that agency, the unused portion for that agency will be made
86 available to the remaining agencies equally. In the event the total amount of tax credits claimed
87 for any one agency exceeds the amount available for that agency, the amount redeemed shall and
88 will be apportioned equally to all eligible taxpayers claiming the credit under that agency. After
89 all children in crisis tax credits have been claimed, any remaining unclaimed portion of the
90 reserved allocation for adoptions of special needs children who are residents or wards of
91 residents of this state shall then be made available for adoption tax credit claims of special needs
92 children who are not residents or wards of residents of this state at the time the adoption is
93 initiated.

9. Prior to December thirty-first of each year, **[**the entities listed under the definition of**]** **each** qualified agency shall apply to the department of social services in order to verify their qualified agency status. Upon a determination that the agency is eligible to be a qualified agency, the department of social services shall provide a letter of eligibility to such agency. No later than February first of each year, the department of social services shall provide a list of qualified agencies to the department of revenue. All tax credit applications to claim the children in crisis tax credit shall be filed between July first and April fifteenth of each fiscal year. A taxpayer shall apply for the children in crisis tax credit by attaching a copy of the contribution verification provided by a qualified agency to such taxpayer's income tax return.

10. The tax credits provided under this section shall be subject to the provisions of section 135.333.

11. (1) In the event a credit denial**[**, due to lack of available funds,**]** causes a balance-due notice to be generated by the department of revenue**[**,**]** or any other redeeming agency **due to a lack of available funds**, the taxpayer will not be held liable for any penalty or interest, provided the balance is paid, or approved payment arrangements have been made, within sixty days from the notice of denial.

(2) In the event the balance is not paid within sixty days from the notice of denial, the remaining balance shall be due and payable under the provisions of chapter 143.

12. The director shall calculate the level of appropriation necessary to issue all tax credits for nonresident special needs adoptions applied for under this section and provide such calculation to the speaker of the house of representatives, the president pro tempore of the senate, and the director of the division of budget and planning in the office of administration by January thirty-first of each year.

13. The department may promulgate such rules or regulations as are necessary to administer the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2006, shall be invalid and void.

14. **[**Pursuant to section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under subsections 7 to 12 of this section shall automatically sunset six years after August 28, 2006, unless reauthorized by an act of the general assembly; and

130 (2) If such program is reauthorized, the program authorized under this section shall
131 automatically sunset twelve years after the effective date of the reauthorization of this section;
132 and
133 (3) This section shall terminate on September first of the calendar year immediately
134 following the calendar year in which the program authorized under this section is sunset**]**
135 **Notwithstanding any other provision of law to the contrary, no tax credits shall be issued**
136 **under sections 135.325 to 135.339 after December 31, 2012, and any tax credit issued before**
137 **January 1, 2013, shall be redeemed before January 1, 2015**.

135.352. 1. A taxpayer owning an interest in a qualified Missouri project shall, subject
2 to the limitations provided under the provisions of subsection 3 of this section, be allowed a state
3 tax credit, whether or not allowed a federal tax credit, to be termed the Missouri low-income
4 housing tax credit, if the commission issues an eligibility statement for that project.
5 2. For qualified Missouri projects placed in service after January 1, 1997, the Missouri
6 low-income housing tax credit available to a project shall be such amount as the commission
7 shall determine is necessary to ensure the feasibility of the project, up to an amount equal to the
8 federal low-income housing tax credit for a qualified Missouri project, for a federal tax period,
9 and such amount shall be subtracted from the amount of state tax otherwise due for the same tax
10 period.
11 3. No more than six million dollars in tax credits shall be authorized each fiscal year for
12 projects financed through tax-exempt bond issuance.
13 4. The Missouri low-income housing tax credit shall be taken against the taxes and in
14 the order specified pursuant to section 32.115. The credit authorized by this section shall not be
15 refundable. Any amount of credit that exceeds the tax due for a taxpayer's taxable year may be
16 carried back to any of the taxpayer's three prior taxable years or carried forward to any of the
17 taxpayer's five subsequent taxable years.
18 5. All or any portion of Missouri tax credits issued in accordance with the provisions of
19 sections 135.350 to 135.362 may be allocated to parties who are eligible pursuant to the
20 provisions of subsection 1 of this section. Beginning January 1, 1995, for qualified projects
21 which began on or after January 1, 1994, an owner of a qualified Missouri project shall certify
22 to the director the amount of credit allocated to each taxpayer. The owner of the project shall
23 provide to the director appropriate information so that the low-income housing tax credit can be
24 properly allocated.
25 6. In the event that recapture of Missouri low-income housing tax credits is required
26 pursuant to subsection 2 of section 135.355, any statement submitted to the director as provided
27 in this section shall include the proportion of the state credit required to be recaptured, the

28 identity of each taxpayer subject to the recapture and the amount of credit previously allocated
29 to such taxpayer.
30 7. The director of the department may promulgate rules and regulations necessary to
31 administer the provisions of this section. No rule or portion of a rule promulgated pursuant to
32 the authority of this section shall become effective unless it has been promulgated pursuant to
33 the provisions of section 536.024.
34 **8. Notwithstanding any other provision of law to the contrary, no tax credits shall**
35 **be issued under sections 135.350 to 135.363 after December 31, 2012, and any tax credit**
36 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**

135.403. 1. Any investor who makes a qualified investment in a Missouri small business
2 shall be entitled to receive a tax credit equal to forty percent of the amount of the investment or,
3 in the case of a qualified investment in a Missouri small business in a distressed community as
4 defined by section 135.530, a credit equal to sixty percent of the amount of the investment, and
5 any investor who makes a qualified investment in a community bank or a community
6 development corporation shall be entitled to receive a tax credit equal to fifty percent of the
7 amount of the investment if the investment is made in a community bank or community
8 development corporation for direct investment. The total amount of tax credits available for
9 qualified investments in Missouri small businesses shall not exceed thirteen million dollars and
10 at least four million dollars of the amount authorized by this section and certified by the
11 department of economic development shall be for investment in Missouri small businesses in
12 distressed communities. Authorization for all or any part of this four-million-dollar amount shall
13 in no way restrict the eligibility of Missouri small businesses in distressed communities, as
14 defined in section 135.530, for the remaining amounts authorized within this section. No more
15 than twenty percent of the tax credits available each year for investments in community banks
16 or community development corporations for direct investment shall be certified for any one
17 project, as defined in section 135.400. The tax credit shall be evidenced by a tax credit
18 certificate in accordance with the provisions of sections 135.400 to 135.430 and may be used to
19 satisfy the state tax liability of the owner of the certificate that becomes due in the tax year in
20 which the qualified investment is made, or in any of the ten tax years thereafter. When the
21 qualified small business is in a distressed community, as defined in section 135.530, the tax
22 credit may also be used to satisfy the state tax liability of the owner of the certificate that was due
23 during each of the previous three years in addition to the year in which the investment is made
24 and any of the ten years thereafter. No investor may receive a tax credit pursuant to sections
25 135.400 to 135.430 unless that person presents a tax credit certificate to the department of
26 revenue for payment of such state tax liability. The department of revenue shall grant tax credits
27 in the same order as established by subsection 1 of section 32.115. Subject to the provisions of

28 sections 135.400 to 135.430, certificates of tax credit issued in accordance with these sections
29 may be transferred, sold or assigned by notarized endorsement thereof which names the
30 transferee.
31 2. Five hundred thousand dollars in tax credits shall be available annually from the total
32 amount of tax credits authorized by section 32.110 and subdivision (4) of subsection 2 of section
33 32.115 as a result of investments in community banks or community development corporations.
34 Aggregate investments eligible for tax credits in any one Missouri small business shall not be
35 more than one million dollars. Aggregate investments eligible for tax credits in any one Missouri
36 small business shall not be less than five thousand dollars as of the date of issuance of the first
37 tax credit certificate for investment in that business.
38 3. This section and section 620.1039 shall become effective January 1, 2001.
39 **4. Notwithstanding any other provision of law to the contrary, no tax credits shall**
40 **be issued under sections 135.400 to 135.430 after December 31, 2012, and any tax credit**
41 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**
135.460. 1. This section and sections 620.1100 and 620.1103 shall be known and may
2 be cited as the "Youth Opportunities and Violence Prevention Act".
3 2. As used in this section, the term "taxpayer" shall include corporations as defined in
4 section 143.441 or 143.471, any charitable organization which is exempt from federal income
5 tax and whose Missouri unrelated business taxable income, if any, would be subject to the state
6 income tax imposed under chapter 143, and individuals, individual proprietorships and
7 partnerships.
8 3. A taxpayer shall be allowed a tax credit against the tax otherwise due pursuant to
9 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, chapter 147,
10 chapter 148, or chapter 153 in an amount equal to thirty percent for property contributions and
11 fifty percent for monetary contributions of the amount such taxpayer contributed to the programs
12 described in subsection 5 of this section, not to exceed two hundred thousand dollars per taxable
13 year, per taxpayer; except as otherwise provided in subdivision (5) of subsection 5 of this
14 section. The department of economic development shall prescribe the method for claiming the
15 tax credits allowed in this section. No rule or portion of a rule promulgated under the authority
16 of this section shall become effective unless it has been promulgated pursuant to the provisions
17 of chapter 536. All rulemaking authority delegated prior to June 27, 1997, is of no force and
18 effect and repealed; however, nothing in this section shall be interpreted to repeal or affect the
19 validity of any rule filed or adopted prior to June 27, 1997, if such rule complied with the
20 provisions of chapter 536. The provisions of this section and chapter 536 are nonseverable and
21 if any of the powers vested with the general assembly pursuant to chapter 536, including the
22 ability to review, to delay the effective date, or to disapprove and annul a rule or portion of a

23 rule, are subsequently held unconstitutional, then the purported grant of rulemaking authority and
24 any rule so proposed and contained in the order of rulemaking shall be invalid and void.
25 4. The tax credits allowed by this section shall be claimed by the taxpayer to offset the
26 taxes that become due in the taxpayer's tax period in which the contribution was made. Any tax
27 credit not used in such tax period may be carried over the next five succeeding tax periods.
28 5. The tax credit allowed by this section may only be claimed for monetary or property
29 contributions to public or private programs authorized to participate pursuant to this section by
30 the department of economic development and may be claimed for the development,
31 establishment, implementation, operation, and expansion of the following activities and
32 programs:
33 (1) An adopt-a-school program. Components of the adopt-a-school program shall
34 include donations for school activities, seminars, and functions; school-business employment
35 programs; and the donation of property and equipment of the corporation to the school;
36 (2) Expansion of programs to encourage school dropouts to reenter and complete high
37 school or to complete a graduate equivalency degree program;
38 (3) Employment programs. Such programs shall initially, but not exclusively, target
39 unemployed youth living in poverty and youth living in areas with a high incidence of crime;
40 (4) New or existing youth clubs or associations;
41 (5) Employment/internship/apprenticeship programs in business or trades for persons
42 less than twenty years of age, in which case the tax credit claimed pursuant to this section shall
43 be equal to one-half of the amount paid to the intern or apprentice in that tax year, except that
44 such credit shall not exceed ten thousand dollars per person;
45 (6) Mentor and role model programs;
46 (7) Drug and alcohol abuse prevention training programs for youth;
47 (8) Donation of property or equipment of the taxpayer to schools, including schools
48 which primarily educate children who have been expelled from other schools, or donation of the
49 same to municipalities, or not-for-profit corporations or other not-for-profit organizations which
50 offer programs dedicated to youth violence prevention as authorized by the department;
51 (9) Not-for-profit, private or public youth activity centers;
52 (10) Nonviolent conflict resolution and mediation programs;
53 (11) Youth outreach and counseling programs.
54 6. Any program authorized in subsection 5 of this section shall, at least annually, submit
55 a report to the department of economic development outlining the purpose and objectives of such
56 program, the number of youth served, the specific activities provided pursuant to such program,
57 the duration of such program and recorded youth attendance where applicable.

7. The department of economic development shall, at least annually submit a report to the Missouri general assembly listing the organizations participating, services offered and the number of youth served as the result of the implementation of this section.

8. The tax credit allowed by this section shall apply to all taxable years beginning after December 31, 1995.

9. For the purposes of the credits described in this section, in the case of a corporation described in section 143.471, partnership, limited liability company described in section 347.015, cooperative, marketing enterprise, or partnership, in computing Missouri's tax liability, such credits shall be allowed to the following:

(1) The shareholders of the corporation described in section 143.471;

(2) The partners of the partnership;

(3) The members of the limited liability company; and

(4) Individual members of the cooperative or marketing enterprise. Such credits shall be apportioned to the entities described in subdivisions (1) and (2) of this subsection in proportion to their share of ownership on the last day of the taxpayer's tax period.

10. Notwithstanding any other provision of law to the contrary, no tax credits shall be issued under this section after December 31, 2012, and any tax credit issued before January 1, 2013, shall be redeemed before January 1, 2015.

135.481. 1. (1) Any taxpayer who incurs eligible costs for a new residence located in a distressed community or within a census block group as described in subdivision (10) of section 135.478, or for a multiple unit condominium described in subdivision (2) of this subsection, shall receive a tax credit equal to fifteen percent of such costs against his or her tax liability. The tax credit shall not exceed forty thousand dollars per new residence in any ten-year period.

(2) For the purposes of this section, a "multiple unit condominium" is one that is intended to be owner occupied, which is constructed on property subject to an industrial development contract as defined in section 100.310 and which lies within an area with a city zoning classification of urban redevelopment district established after January 1, 2000, and before December 31, 2001, and which is constructed in connection with the qualified rehabilitation of a structure more than ninety years old eligible for the historic structures rehabilitation tax credit described in sections 253.545 to 253.559, and is under way by January 1, 2000, and completed by January 1, 2002.

2. Any taxpayer who incurs eligible costs for a new residence located within a census block as described in subdivision (6) of section 135.478 shall receive a tax credit equal to fifteen percent of such costs against his or her tax liability. The tax credit shall not exceed twenty-five thousand dollars per new residence in any ten-year period.

19 3. Any taxpayer who is not performing substantial rehabilitation and who incurs eligible
20 costs for rehabilitation of an eligible residence or a qualifying residence shall receive a tax credit
21 equal to twenty-five percent of such costs against his or her tax liability. The minimum eligible
22 costs for rehabilitation of an eligible residence shall be ten thousand dollars. The minimum
23 eligible costs for rehabilitation of a qualifying residence shall be five thousand dollars. The tax
24 credit shall not exceed twenty-five thousand dollars in any ten-year period.
25 4. Any taxpayer who incurs eligible costs for substantial rehabilitation of a qualifying
26 residence shall receive a tax credit equal to thirty-five percent of such costs against his or her tax
27 liability. The minimum eligible costs for substantial rehabilitation of a qualifying residence shall
28 be ten thousand dollars. The tax credit shall not exceed seventy thousand dollars in any ten-year
29 period.
30 5. A taxpayer shall be eligible to receive tax credits for new construction or rehabilitation
31 pursuant to only one subsection of this section.
32 6. No tax credit shall be issued pursuant to this section for any structure which is in
33 violation of any municipal or county property, maintenance or zoning code.
34 7. No tax credit shall be issued pursuant to sections 135.475 to 135.487 for the
35 construction or rehabilitation of rental property.
36 **8. Notwithstanding any other provision of law to the contrary, no tax credits shall**
37 **be issued under sections 135.475 to 135.487 after December 31, 2012, and any tax credit**
38 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**
135.490. 1. In order to encourage and foster community improvement, an eligible small
2 business, as defined in Section 44 of the Internal Revenue Code, shall be allowed a credit not to
3 exceed five thousand dollars against the tax otherwise due pursuant to chapter 143, not including
4 sections 143.191 to 143.265, in an amount equal to fifty percent of all eligible access
5 expenditures exceeding the monetary cap provided by Section 44 of the Internal Revenue Code.
6 For purposes of this section, "eligible access expenditures" means amounts paid or incurred by
7 the taxpayer in order to comply with applicable access requirements provided by the Americans
8 With Disabilities Act of 1990, as further defined in Section 44 of the Internal Revenue Code and
9 federal rulings interpreting Section 44 of the Internal Revenue Code.
10 2. The tax credit allowed by this section shall be claimed by the taxpayer at the time such
11 taxpayer files a return. Any amount of tax credit which exceeds the tax due shall be carried over
12 to any subsequent taxable year, but shall not be refunded and shall not be transferable.
13 3. The director of the department of economic development and the director of the
14 department of revenue shall jointly administer the tax credit authorized by this section. Both the
15 director of the department of economic development and the director of the department of
16 revenue are authorized to promulgate rules and regulations necessary to administer the provisions

17 of this section. No rule or portion of a rule promulgated pursuant to the authority of this section
18 shall become effective unless it has been promulgated pursuant to the provisions of chapter 536.
19 4. The provisions of this section shall become effective on January 1, 2000, and shall
20 apply to all taxable years beginning after December 31, 1999.
21 **5. Notwithstanding any other provision of law to the contrary, no tax credits shall**
22 **be issued under this section after December 31, 2012, and any tax credit issued before**
23 **January 1, 2013, shall be redeemed before January 1, 2015.**

135.503. 1. Any investor that makes an investment of certified capital shall, in the year
2 of investment, earn a vested credit against state premium tax liability equal to the applicable
3 percentage of the investor's investment of certified capital. An investor shall be entitled to take
4 up to ten percent of the vested credit in any taxable year of the investor. Any time after three
5 years after August 28, 1996, the director, with the approval of the commissioner of
6 administration, may reduce the applicable percentage on a prospective basis. Any such reduction
7 in the applicable percentage by the director shall not have any effect on credits against state
8 premium tax liability which have been claimed or will be claimed by any investor with respect
9 to credits which have been earned and vested pursuant to an investment of certified capital prior
10 to the effective date of any such change.
11 2. An insurance company claiming a state premium tax credit earned through an
12 investment in a certified capital company shall not be required to pay any additional retaliatory
13 tax levied pursuant to section 375.916 as a result of claiming such credit.
14 3. The credit against state premium tax liability which is described in subsection 1 of this
15 section may not exceed the state premium tax liability of the investor for any taxable year. All
16 such credits against state premium tax liability may be carried forward indefinitely until the
17 credits are utilized. The maximum amount of certified capital in one or more certified capital
18 companies for which earned and vested tax credits will be allowed in any year to any one
19 investor or its affiliates shall be limited to ten million dollars.
20 4. Except as provided in subsection 5 of this section, the aggregate amount of certified
21 capital for which earned and vested credits against state premium tax liability are allowed for all
22 persons pursuant to sections 135.500 to 135.529 shall not exceed the following amounts: for
23 calendar year 1996, $0.00; for calendar year 1997, an amount which would entitle all Missouri
24 certified capital company investors to take aggregate credits of five million dollars; and for any
25 year thereafter, an additional amount to be determined by the director but not to exceed aggregate
26 credits of ten million dollars for any year with the approval of the commissioner of
27 administration and reported to the general assembly as provided in subsection 2 of section
28 33.282, provided that the amount so determined shall not impair the ability of an investor with
29 earned and vested credits which have been allowed in previous years to take them, pursuant to

30 subsection 1 of this section. During any calendar year in which the limitation described in this
31 subsection will limit the amount of certified capital for which earned and vested credits against
32 state premium tax liability are allowed, certified capital for which credits are allowed will be
33 allocated in order of priority based upon the date of filing of information described in subdivision
34 (1) of subsection 5 of section 135.516. Certified capital limited in any calendar year by the
35 application of the provisions of this subsection shall be allowed and allocated in the immediately
36 succeeding calendar year in the order of priority set forth in this subsection. The department
37 shall make separate allocations of certified capital for which credits are allowed under the
38 limitations described in this subsection and under the limitations described in subsection 5 of this
39 section.

40 5. In addition to the maximum amount pursuant to subsection 4 of this section, the
41 aggregate amount of certified capital for which earned and vested credits against state premium
42 tax liability are allowed for persons pursuant to sections 135.500 to 135.529 shall be the
43 following: for calendar year 1999 and for any year thereafter, an amount to be determined by the
44 director which would entitle all Missouri certified capital company investors to take aggregate
45 credits not to exceed four million dollars for any year with the approval of the commissioner of
46 administration and reported to the general assembly as provided in subsection 2 of section
47 33.282, provided that the amount so determined shall not impair the ability of an investor with
48 earned and vested credits which have been allowed in previous years or pursuant to the
49 provisions of subsection 4 of this section to take them, pursuant to subsection 1 of this section.
50 For purposes of any requirement regarding the schedule of qualified investments for certified
51 capital for which earned and vested credits against state premium tax liability are allowed
52 pursuant to this subsection only, the definition of a "qualified Missouri business" as set forth in
53 subdivision (14) of subsection 2 of section 135.500 means a Missouri business that is located in
54 a distressed community as defined in section 135.530, and meets all of the requirements of
55 subdivision (14) of subsection 2 of section 135.500. During any calendar year in which the
56 limitation described in this subsection limits the amount of additional certified capital for which
57 earned and vested credits against state premium tax liability are allowed, additional certified
58 capital for which credits are allowed shall be allocated in order of priority based upon the date
59 of filing of information described in subdivision (1) of subsection 5 of section 135.516 with
60 respect to such additional certified capital. The department shall make separate allocations of
61 certified capital for which credits are allowed under the limitations described in this subsection
62 and under the limitations described in subsection 4 of this section. No limitation applicable to
63 any certified capital company with respect to certified capital for which credits are allowed
64 pursuant to subsection 4 of this section shall limit the amount of certified capital for which
65 credits are allowed pursuant to this subsection. No limitation applicable to any certified capital

company with respect to certified capital for which credits are allowed pursuant to this subsection shall limit the amount of certified capital for which credits are allowed pursuant to subsection 4 of this section.

6. The department shall advise any Missouri certified capital company, in writing, within fifteen days after receiving the filing described in subdivision (1) of subsection 5 of section 135.516 whether the limitations of subsection 3 of this section then in effect will be applicable with respect to the investments and credits described in such filing with the department.

7. Notwithstanding any other provision of law to the contrary, no tax credits shall be issued under sections 135.500 to 135.529 after December 31, 2012, and any tax credit issued before January 1, 2013, shall be redeemed before January 1, 2015.

135.535. 1. A corporation, limited liability corporation, partnership or sole proprietorship, which moves its operations from outside Missouri or outside a distressed community into a distressed community, or which commences operations in a distressed community on or after January 1, 1999, and in either case has more than seventy-five percent of its employees at the facility in the distressed community, and which has fewer than one hundred employees for whom payroll taxes are paid, and which is a manufacturing, biomedical, medical devices, scientific research, animal research, computer software design or development, computer programming, including Internet, web hosting, and other information technology, wireless or wired or other telecommunications or a professional firm shall receive a forty percent credit against income taxes owed pursuant to chapter 143, 147 or 148, other than taxes withheld pursuant to sections 143.191 to 143.265, for each of the three years after such move, if approved by the department of economic development, which shall issue a certificate of eligibility if the department determines that the taxpayer is eligible for such credit. The maximum amount of credits per taxpayer set forth in this subsection shall not exceed one hundred twenty-five thousand dollars for each of the three years for which the credit is claimed. The department of economic development, by means of rule or regulation promulgated pursuant to the provisions of chapter 536, shall assign appropriate North American Industry Classification System numbers to the companies which are eligible for the tax credits provided for in this section. Such three-year credits shall be awarded only one time to any company which moves its operations from outside of Missouri or outside of a distressed community into a distressed community or to a company which commences operations within a distressed community. A taxpayer shall file an application for certification of the tax credits for the first year in which credits are claimed and for each of the two succeeding taxable years for which credits are claimed.

2. Employees of such facilities physically working and earning wages for that work within a distressed community whose employers have been approved for tax credits pursuant to subsection 1 of this section by the department of economic development for whom payroll taxes

27 are paid shall also be eligible to receive a tax credit against individual income tax, imposed
28 pursuant to chapter 143, equal to one and one-half percent of their gross salary paid at such
29 facility earned for each of the three years that the facility receives the tax credit provided by this
30 section, so long as they were qualified employees of such entity. The employer shall calculate
31 the amount of such credit and shall report the amount to the employee and the department of
32 revenue.

33 3. A tax credit against income taxes owed pursuant to chapter 143, 147 or 148, other than
34 the taxes withheld pursuant to sections 143.191 to 143.265, in lieu of the credit against income
35 taxes as provided in subsection 1 of this section, may be taken by such an entity in a distressed
36 community in an amount of forty percent of the amount of funds expended for computer
37 equipment and its maintenance, medical laboratories and equipment, research laboratory
38 equipment, manufacturing equipment, fiber optic equipment, high speed telecommunications,
39 wiring or software development expense up to a maximum of seventy-five thousand dollars in
40 tax credits for such equipment or expense per year per entity and for each of three years after
41 commencement in or moving operations into a distressed community.

42 4. A corporation, partnership or sole partnership, which has no more than one hundred
43 employees for whom payroll taxes are paid, which is already located in a distressed community
44 and which expends funds for such equipment pursuant to subsection 3 of this section in an
45 amount exceeding its average of the prior two years for such equipment, shall be eligible to
46 receive a tax credit against income taxes owed pursuant to chapters 143, 147 and 148 in an
47 amount equal to the lesser of seventy-five thousand dollars or twenty-five percent of the funds
48 expended for such additional equipment per such entity. Tax credits allowed pursuant to this
49 subsection or subsection 1 of this section may be carried back to any of the three prior tax years
50 and carried forward to any of the **next** five tax years.

51 5. An existing corporation, partnership or sole proprietorship that is located within a
52 distressed community and that relocates employees from another facility outside of the distressed
53 community to its facility within the distressed community, and an existing business located
54 within a distressed community that hires new employees for that facility may both be eligible for
55 the tax credits allowed by subsections 1 and 3 of this section. To be eligible for such tax credits,
56 such a business, during one of its tax years, shall employ within a distressed community at least
57 twice as many employees as were employed at the beginning of that tax year. A business hiring
58 employees shall have no more than one hundred employees before the addition of the new
59 employees. This subsection shall only apply to a business which is a manufacturing, biomedical,
60 medical devices, scientific research, animal research, computer software design or development,
61 computer programming or telecommunications business, or a professional firm.

62 6. Tax credits shall be approved for applicants meeting the requirements of this section
63 in the order that such applications are received. Certificates of tax credits issued in accordance
64 with this section may be transferred, sold or assigned by notarized endorsement which names the
65 transferee.
66 7. The tax credits allowed pursuant to subsections 1, 2, 3, 4 and 5 of this section shall
67 be for an amount of no more than ten million dollars for each year beginning in 1999. To the
68 extent there are available tax credits remaining under the ten million dollar cap provided in this
69 section, up to one hundred thousand dollars in the remaining credits shall first be used for tax
70 credits authorized under section 135.562. The total maximum credit for all entities already
71 located in distressed communities and claiming credits pursuant to subsection 4 of this section
72 shall be seven hundred and fifty thousand dollars. The department of economic development in
73 approving taxpayers for the credit as provided for in subsection 6 of this section shall use
74 information provided by the department of revenue regarding taxes paid in the previous year, or
75 projected taxes for those entities newly established in the state, as the method of determining
76 when this maximum will be reached and shall maintain a record of the order of approval. Any
77 tax credit not used in the period for which the credit was approved may be carried over until the
78 full credit has been allowed.
79 8. A Missouri employer relocating into a distressed community and having employees
80 covered by a collective bargaining agreement at the facility from which it is relocating shall not
81 be eligible for the credits in subsection 1, 3, 4 or 5 of this section, and its employees shall not be
82 eligible for the credit in subsection 2 of this section if the relocation violates or terminates a
83 collective bargaining agreement covering employees at the facility, unless the affected collective
84 bargaining unit concurs with the move.
85 9. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax
86 credits allowed in this section and the tax credits otherwise allowed in section 135.110, or the
87 tax credits, exemptions, and refund otherwise allowed in sections 135.200, 135.220, 135.225 and
88 135.245, respectively, for the same business for the same tax period.
89 **10. Notwithstanding any other provision of law to the contrary, no tax credits shall**
90 **be issued under this section after December 31, 2012, and any tax credit issued before**
91 **January 1, 2013, shall be redeemed before January 1, 2015.**

135.545. **1.** A taxpayer shall be allowed a credit for taxes paid pursuant to chapter 143,
2 147 or 148 in an amount equal to fifty percent of a qualified investment in transportation
3 development for aviation, mass transportation, including parking facilities for users of mass
4 transportation, railroads, ports, including parking facilities and limited access roads within ports,
5 waterborne transportation, bicycle and pedestrian paths, or rolling stock located in a distressed
6 community as defined in section 135.530, and which are part of a development plan approved

by the appropriate local agency. If the department of economic development determines the investment has been so approved, the department shall grant the tax credit in order of date received. A taxpayer may carry forward any unused tax credit for up to ten years and may carry it back for the previous three years until such credit has been fully claimed. Certificates of tax credit issued in accordance with this section may be transferred, sold or assigned by notarized endorsement which names the transferee. The tax credits allowed pursuant to this section shall be for an amount of no more than ten million dollars for each year. This credit shall apply to returns filed for all taxable years beginning on or after January 1, 1999. Any unused portion of the tax credit authorized pursuant to this section shall be available for use in the future by those entities until fully claimed. For purposes of this section, a "taxpayer" shall include any charitable organization that is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143.

2. Notwithstanding any other provision of law to the contrary, no tax credits shall be issued under this section after December 31, 2012, and any tax credit issued before January 1, 2013, shall be redeemed before January 1, 2015.

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

(1) "Contribution", a donation of cash, stock, bonds or other marketable securities, or real property;

(2) "Shelter for victims of domestic violence", a facility located in this state which meets the definition of a shelter for victims of domestic violence pursuant to section 455.200 and which meets the requirements of section 455.220;

(3) "State tax liability", in the case of a business taxpayer, any liability incurred by such taxpayer pursuant to the provisions of chapter 143, chapter 147, chapter 148, and chapter 153, exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265 and related provisions, and in the case of an individual taxpayer, any liability incurred by such taxpayer pursuant to the provisions of chapter 143;

(4) "Taxpayer", a person, firm, a partner in a firm, corporation or a shareholder in an S corporation doing business in the state of Missouri and subject to the state income tax imposed by the provisions of chapter 143, or a corporation subject to the annual corporation franchise tax imposed by the provisions of chapter 147, including any charitable organization which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143, or an insurance company paying an annual tax on its gross premium receipts in this state, or other financial institution paying taxes to the state of Missouri or any political subdivision of this state pursuant to the provisions of chapter 148, or an express company which pays an annual tax on its gross receipts in this state

21 pursuant to chapter 153, or an individual subject to the state income tax imposed by the
22 provisions of chapter 143.
23 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax
24 liability, in an amount equal to fifty percent of the amount such taxpayer contributed to a shelter
25 for victims of domestic violence.
26 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's
27 state tax liability for the taxable year that the credit is claimed, and such taxpayer shall not be
28 allowed to claim a tax credit in excess of fifty thousand dollars per taxable year. However, any
29 tax credit that cannot be claimed in the taxable year the contribution was made may be carried
30 over to the next four succeeding taxable years until the full credit has been claimed.
31 4. Except for any excess credit which is carried over pursuant to subsection 3 of this
32 section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such
33 taxpayer's contribution or contributions to a shelter or shelters for victims of domestic violence
34 in such taxpayer's taxable year has a value of at least one hundred dollars.
35 5. The director of the department of social services shall determine, at least annually,
36 which facilities in this state may be classified as shelters for victims of domestic violence. The
37 director of the department of social services may require of a facility seeking to be classified as
38 a shelter for victims of domestic violence whatever information is reasonably necessary to make
39 such a determination. The director of the department of social services shall classify a facility
40 as a shelter for victims of domestic violence if such facility meets the definition set forth in
41 subsection 1 of this section.
42 6. The director of the department of social services shall establish a procedure by which
43 a taxpayer can determine if a facility has been classified as a shelter for victims of domestic
44 violence, and by which such taxpayer can then contribute to such shelter for victims of domestic
45 violence and claim a tax credit. Shelters for victims of domestic violence shall be permitted to
46 decline a contribution from a taxpayer. The cumulative amount of tax credits which may be
47 claimed by all the taxpayers contributing to shelters for victims of domestic violence in any one
48 fiscal year shall not exceed two million dollars.
49 7. The director of the department of social services shall establish a procedure by which,
50 from the beginning of the fiscal year until some point in time later in the fiscal year to be
51 determined by the director of the department of social services, the cumulative amount of tax
52 credits are equally apportioned among all facilities classified as shelters for victims of domestic
53 violence. If a shelter for victims of domestic violence fails to use all, or some percentage to be
54 determined by the director of the department of social services, of its apportioned tax credits
55 during this predetermined period of time, the director of the department of social services may
56 reapportion these unused tax credits to those shelters for victims of domestic violence that have

57 used all, or some percentage to be determined by the director of the department of social
58 services, of their apportioned tax credits during this predetermined period of time. The director
59 of the department of social services may establish more than one period of time and reapportion
60 more than once during each fiscal year. To the maximum extent possible, the director of the
61 department of social services shall establish the procedure described in this subsection in such
62 a manner as to ensure that taxpayers can claim all the tax credits possible up to the cumulative
63 amount of tax credits available for the fiscal year.
64 8. This section shall become effective January 1, 2000, and shall apply to all tax years
65 after December 31, 1999.
66 **9. Notwithstanding any other provision of law to the contrary, no tax credits shall**
67 **be issued under this section after December 31, 2012, and any tax credit issued before**
68 **January 1, 2013, shall be redeemed before January 1, 2015.**

135.562. 1. If any taxpayer with a federal adjusted gross income of thirty thousand
2 dollars or less incurs costs for the purpose of making all or any portion of such taxpayer's
3 principal dwelling accessible to an individual with a disability who permanently resides with the
4 taxpayer, such taxpayer shall receive a tax credit against such taxpayer's Missouri income tax
5 liability in an amount equal to the lesser of one hundred percent of such costs or two thousand
6 five hundred dollars per taxpayer, per tax year.
7 2. Any taxpayer with a federal adjusted gross income greater than thirty thousand dollars
8 but less than sixty thousand dollars who incurs costs for the purpose of making all or any portion
9 of such taxpayer's principal dwelling accessible to an individual with a disability who
10 permanently resides with the taxpayer shall receive a tax credit against such taxpayer's Missouri
11 income tax liability in an amount equal to the lesser of fifty percent of such costs or two thousand
12 five hundred dollars per taxpayer per tax year. No taxpayer shall be eligible to receive tax credits
13 under this section in any tax year immediately following a tax year in which such taxpayer
14 received tax credits under the provisions of this section.
15 3. Tax credits issued pursuant to this section may be refundable in an amount not to
16 exceed two thousand five hundred dollars per tax year.
17 4. Eligible costs for which the credit may be claimed include:
18 (1) Constructing entrance or exit ramps;
19 (2) Widening exterior or interior doorways;
20 (3) Widening hallways;
21 (4) Installing handrails or grab bars;
22 (5) Moving electrical outlets and switches;
23 (6) Installing stairway lifts;
24 (7) Installing or modifying fire alarms, smoke detectors, and other alerting systems;

25 (8) Modifying hardware of doors; or
26 (9) Modifying bathrooms.
27 5. The tax credits allowed, including the maximum amount that may be claimed,
28 pursuant to this section shall be reduced by an amount sufficient to offset any amount of such
29 costs a taxpayer has already deducted from such taxpayer's federal adjusted gross income or to
30 the extent such taxpayer has applied any other state or federal income tax credit to such costs.
31 6. A taxpayer shall claim a credit allowed by this section in the same taxable year as the
32 credit is issued, and at the time such taxpayer files his or her Missouri income tax return;
33 provided that such return is timely filed.
34 7. The department may, in consultation with the department of social services,
35 promulgate such rules or regulations as are necessary to administer the provisions of this section.
36 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
37 authority delegated in this section shall become effective only if it complies with and is subject
38 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
39 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
40 to chapter 536 to review, to delay the effective date or to disapprove and annul a rule are
41 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
42 or adopted after August 28, 2007, shall be invalid and void.
43 8. The provisions of this section shall apply to all tax years beginning on or after January
44 1, 2008.
45 9. **[**The provisions of this section shall expire December 31, 2013**]** **Notwithstanding any**
46 **other provision of law to the contrary, no tax credits shall be issued under this section after**
47 **December 31, 2012, and any tax credit issued before January 1, 2013, shall be redeemed**
48 **before January 1, 2015**.
49 10. In no event shall the aggregate amount of all tax credits allowed pursuant to this
50 section exceed one hundred thousand dollars in any given fiscal year. The tax credits issued
51 pursuant to this section shall be on a first-come, first-served filing basis.

135.575. 1. As used in this section, the following terms mean:
2 (1) "Missouri health care access fund", the fund created in section 191.1056;
3 (2) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding
4 withholding tax imposed by sections 143.191 to 143.265;
5 (3) "Taxpayer", any individual subject to the tax imposed in chapter 143, excluding
6 withholding tax imposed by sections 143.191 to 143.265.
7 2. The provisions of this section shall be subject to section 33.282. For all taxable years
8 beginning on or after January 1, 2007, a taxpayer shall be allowed a tax credit for donations in
9 excess of one hundred dollars made to the Missouri health care access fund. The tax credit shall

be subject to annual approval by the senate appropriations committee and the house budget committee. The tax credit amount shall be equal to one-half of the total donation made, but shall not exceed twenty-five thousand dollars per taxpayer claiming the credit. If the amount of the tax credit issued exceeds the amount of the taxpayer's state tax liability for the tax year for which the credit is claimed, the difference shall not be refundable but may be carried forward to any of the taxpayer's next four taxable years. No tax credit granted under this section shall be transferred, sold, or assigned. The cumulative amount of tax credits which may be issued under this section in any one fiscal year shall not exceed one million dollars.

3. The department of revenue may promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.

4. **[**Pursuant to section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset six years after August 28, 2007, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset**] Notwithstanding any other provision of law to the contrary, no tax credits shall be issued under this section after December 31, 2012, and any tax credit issued before January 1, 2013, shall be redeemed before January 1, 2015**.

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

(1) "Contribution", a donation of cash, stock, bonds or other marketable securities, or real property;

(2) "Maternity home", a residential facility located in this state established for the purpose of providing housing and assistance to pregnant women who are carrying their pregnancies to term, and which is exempt from income taxation under the United States Internal Revenue Code;

(3) "State tax liability", in the case of a business taxpayer, any liability incurred by such taxpayer pursuant to the provisions of chapter 143, chapter 147, chapter 148, and chapter 153,

10 exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191
11 to 143.265, and related provisions, and in the case of an individual taxpayer, any liability
12 incurred by such taxpayer pursuant to the provisions of chapter 143;
13 (4) "Taxpayer", a person, firm, a partner in a firm, corporation or a shareholder in an S
14 corporation doing business in the state of Missouri and subject to the state income tax imposed
15 by the provisions of chapter 143, including any charitable organization which is exempt from
16 federal income tax and whose Missouri unrelated business taxable income, if any, would be
17 subject to the state income tax imposed under chapter 143, or a corporation subject to the annual
18 corporation franchise tax imposed by the provisions of chapter 147, or an insurance company
19 paying an annual tax on its gross premium receipts in this state, or other financial institution
20 paying taxes to the state of Missouri or any political subdivision of this state pursuant to the
21 provisions of chapter 148, or an express company which pays an annual tax on its gross receipts
22 in this state pursuant to chapter 153, or an individual subject to the state income tax imposed by
23 the provisions of chapter 143.
24 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax
25 liability, in an amount equal to fifty percent of the amount such taxpayer contributed to a
26 maternity home.
27 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's
28 state tax liability for the taxable year that the credit is claimed, and such taxpayer shall not be
29 allowed to claim a tax credit in excess of fifty thousand dollars per taxable year. However, any
30 tax credit that cannot be claimed in the taxable year the contribution was made may be carried
31 over to the next four succeeding taxable years until the full credit has been claimed.
32 4. Except for any excess credit which is carried over pursuant to subsection 3 of this
33 section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such
34 taxpayer's contribution or contributions to a maternity home or homes in such taxpayer's taxable
35 year has a value of at least one hundred dollars.
36 5. The director of the department of social services shall determine, at least annually,
37 which facilities in this state may be classified as maternity homes. The director of the
38 department of social services may require of a facility seeking to be classified as a maternity
39 home whatever information is reasonably necessary to make such a determination. The director
40 of the department of social services shall classify a facility as a maternity home if such facility
41 meets the definition set forth in subsection 1 of this section.
42 6. The director of the department of social services shall establish a procedure by which
43 a taxpayer can determine if a facility has been classified as a maternity home, and by which such
44 taxpayer can then contribute to such maternity home and claim a tax credit. Maternity homes
45 shall be permitted to decline a contribution from a taxpayer. The cumulative amount of tax

46 credits which may be claimed by all the taxpayers contributing to maternity homes in any one
47 fiscal year shall not exceed two million dollars.
48 7. The director of the department of social services shall establish a procedure by which,
49 from the beginning of the fiscal year until some point in time later in the fiscal year to be
50 determined by the director of the department of social services, the cumulative amount of tax
51 credits are equally apportioned among all facilities classified as maternity homes. If a maternity
52 home fails to use all, or some percentage to be determined by the director of the department of
53 social services, of its apportioned tax credits during this predetermined period of time, the
54 director of the department of social services may reapportion these unused tax credits to those
55 maternity homes that have used all, or some percentage to be determined by the director of the
56 department of social services, of their apportioned tax credits during this predetermined period
57 of time. The director of the department of social services may establish more than one period
58 of time and reapportion more than once during each fiscal year. To the maximum extent
59 possible, the director of the department of social services shall establish the procedure described
60 in this subsection in such a manner as to ensure that taxpayers can claim all the tax credits
61 possible up to the cumulative amount of tax credits available for the fiscal year.
62 8. This section shall become effective January 1, 2000, and shall apply to all tax years
63 after December 31, 1999.
64 **9. Notwithstanding any other provision of law to the contrary, no tax credits shall**
65 **be issued under this section after December 31, 2012, and any tax credit issued before**
66 **January 1, 2013, shall be redeemed before January 1, 2015.**

135.630. 1. As used in this section, the following terms mean:
2 (1) "Contribution", a donation of cash, stock, bonds, or other marketable securities, or
3 real property;
4 (2) "Director", the director of the department of social services;
5 (3) "Pregnancy resource center", a nonresidential facility located in this state:
6 (a) Established and operating primarily to provide assistance to women with crisis
7 pregnancies or unplanned pregnancies by offering pregnancy testing, counseling, emotional and
8 material support, and other similar services to encourage and assist such women in carrying their
9 pregnancies to term; and
10 (b) Where childbirths are not performed; and
11 (c) Which does not perform, induce, or refer for abortions and which does not hold itself
12 out as performing, inducing, or referring for abortions; and
13 (d) Which provides direct client services at the facility, as opposed to merely providing
14 counseling or referral services by telephone; and
15 (e) Which provides its services at no cost to its clients; and

16 (f) When providing medical services, such medical services must be performed in
17 accordance with Missouri statute; and
18 (g) Which is exempt from income taxation pursuant to the Internal Revenue Code of
19 1986, as amended;
20 (4) "State tax liability", in the case of a business taxpayer, any liability incurred by such
21 taxpayer pursuant to the provisions of chapters 143, 147, 148, and 153, excluding sections
22 143.191 to 143.265 and related provisions, and in the case of an individual taxpayer, any liability
23 incurred by such taxpayer pursuant to the provisions of chapter 143, excluding sections 143.191
24 to 143.265 and related provisions;
25 (5) "Taxpayer", a person, firm, a partner in a firm, corporation, or a shareholder in an
26 S corporation doing business in the state of Missouri and subject to the state income tax imposed
27 by the provisions of chapter 143, or a corporation subject to the annual corporation franchise tax
28 imposed by the provisions of chapter 147, or an insurance company paying an annual tax on its
29 gross premium receipts in this state, or other financial institution paying taxes to the state of
30 Missouri or any political subdivision of this state pursuant to the provisions of chapter 148, or
31 an express company which pays an annual tax on its gross receipts in this state pursuant to
32 chapter 153, or an individual subject to the state income tax imposed by the provisions of chapter
33 143, or any charitable organization which is exempt from federal income tax and whose Missouri
34 unrelated business taxable income, if any, would be subject to the state income tax imposed
35 under chapter 143.
36 2. For all tax years beginning on or after January 1, 2007, a taxpayer shall be allowed to
37 claim a tax credit against the taxpayer's state tax liability in an amount equal to fifty percent of
38 the amount such taxpayer contributed to a pregnancy resource center.
39 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's
40 state tax liability for the taxable year for which the credit is claimed, and such taxpayer shall not
41 be allowed to claim a tax credit in excess of fifty thousand dollars per taxable year. However,
42 any tax credit that cannot be claimed in the taxable year the contribution was made may be
43 carried over to the next four succeeding taxable years until the full credit has been claimed.
44 4. Except for any excess credit which is carried over pursuant to subsection 3 of this
45 section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such
46 taxpayer's contribution or contributions to a pregnancy resource center or centers in such
47 taxpayer's taxable year has a value of at least one hundred dollars.
48 5. The director shall determine, at least annually, which facilities in this state may be
49 classified as pregnancy resource centers. The director may require of a facility seeking to be
50 classified as a pregnancy resource center whatever information which is reasonably necessary

51 to make such a determination. The director shall classify a facility as a pregnancy resource
52 center if such facility meets the definition set forth in subsection 1 of this section.
53 6. The director shall establish a procedure by which a taxpayer can determine if a facility
54 has been classified as a pregnancy resource center. Pregnancy resource centers shall be permitted
55 to decline a contribution from a taxpayer. The cumulative amount of tax credits which may be
56 claimed by all the taxpayers contributing to pregnancy resource centers in any one fiscal year
57 shall not exceed two million dollars. Tax credits shall be issued in the order contributions are
58 received.
59 7. The director shall establish a procedure by which, from the beginning of the fiscal year
60 until some point in time later in the fiscal year to be determined by the director, the cumulative
61 amount of tax credits are equally apportioned among all facilities classified as pregnancy
62 resource centers. If a pregnancy resource center fails to use all, or some percentage to be
63 determined by the director, of its apportioned tax credits during this predetermined period of
64 time, the director may reapportion these unused tax credits to those pregnancy resource centers
65 that have used all, or some percentage to be determined by the director, of their apportioned tax
66 credits during this predetermined period of time. The director may establish more than one
67 period of time and reapportion more than once during each fiscal year. To the maximum extent
68 possible, the director shall establish the procedure described in this subsection in such a manner
69 as to ensure that taxpayers can claim all the tax credits possible up to the cumulative amount of
70 tax credits available for the fiscal year.
71 8. Each pregnancy resource center shall provide information to the director concerning
72 the identity of each taxpayer making a contribution to the pregnancy resource center who is
73 claiming a tax credit pursuant to this section and the amount of the contribution. The director
74 shall provide the information to the director of revenue. The director shall be subject to the
75 confidentiality and penalty provisions of section 32.057 relating to the disclosure of tax
76 information.
77 9. Notwithstanding any other law to the contrary, any tax credits granted under this
78 section may be assigned, transferred, sold, or otherwise conveyed without consent or approval.
79 Such taxpayer, hereinafter the assignor for purposes of this section, may sell, assign, exchange,
80 or otherwise transfer earned tax credits:
81 (1) For no less than seventy-five percent of the par value of such credits; and
82 (2) In an amount not to exceed one hundred percent of annual earned credits.
83 10. **[**Pursuant to section 23.253 of the Missouri sunset act:
84 (1) Any new program authorized under this section shall automatically sunset six years
85 after August 28, 2006, unless reauthorized by an act of the general assembly; and

86 (2) If such program is reauthorized, the program authorized under this section shall
87 automatically sunset twelve years after the effective date of the reauthorization of this section;
88 and
89 (3) This section shall terminate on September first of the calendar year immediately
90 following the calendar year in which a program authorized under this section is sunset**]**
91 **Notwithstanding any other provision of law to the contrary, no tax credits shall be issued**
92 **under this section after December 31, 2012, and any tax credit issued before January 1,**
93 **2013, shall be redeemed before January 1, 2015**.

135.647. 1. As used in this section, the following terms shall mean:
2 (1) "Local food pantry", any food pantry that is:
3 (a) Exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986,
4 as amended; and
5 (b) Distributing emergency food supplies to Missouri low-income people who would
6 otherwise not have access to food supplies in the area in which the taxpayer claiming the tax
7 credit under this section resides;
8 (2) "Taxpayer", an individual, a firm, a partner in a firm, corporation, or a shareholder
9 in an S corporation doing business in this state and subject to the state income tax imposed by
10 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265.
11 2. For all tax years beginning on or after January 1, 2007, any taxpayer who donates cash
12 or food, unless such food is donated after the food's expiration date, to any local food pantry shall
13 be allowed a credit against the tax otherwise due under chapter 143, excluding withholding tax
14 imposed by sections 143.191 to 143.265, in an amount equal to fifty percent of the value of the
15 donations made to the extent such amounts that have been subtracted from federal adjusted gross
16 income or federal taxable income are added back in the determination of Missouri adjusted gross
17 income or Missouri taxable income before the credit can be claimed. Each taxpayer claiming
18 a tax credit under this section shall file an affidavit with the income tax return verifying the
19 amount of their contributions. The amount of the tax credit claimed shall not exceed the amount
20 of the taxpayer's state tax liability for the tax year that the credit is claimed, and shall not exceed
21 two thousand five hundred dollars per taxpayer claiming the credit. Any amount of credit that
22 the taxpayer is prohibited by this section from claiming in a tax year shall not be refundable, but
23 may be carried forward to any of the taxpayer's three subsequent taxable years. No tax credit
24 granted under this section shall be transferred, sold, or assigned. No taxpayer shall be eligible
25 to receive a credit pursuant to this section if such taxpayer employs persons who are not
26 authorized to work in the United States under federal law.
27 3. The cumulative amount of tax credits under this section which may be allocated to all
28 taxpayers contributing to a local food pantry in any one fiscal year shall not exceed two million

29 dollars. The director of revenue shall establish a procedure by which the cumulative amount of
30 tax credits is apportioned among all taxpayers claiming the credit by April fifteenth of the fiscal
31 year in which the tax credit is claimed. To the maximum extent possible, the director of revenue
32 shall establish the procedure described in this subsection in such a manner as to ensure that
33 taxpayers can claim all the tax credits possible up to the cumulative amount of tax credits
34 available for the fiscal year.
35 4. Any local food pantry may accept or reject any donation of food made under this
36 section for any reason. For purposes of this section, any donations of food accepted by a local
37 food pantry shall be valued at fair market value, or at wholesale value if the taxpayer making the
38 donation of food is a retail grocery store, food broker, wholesaler, or restaurant.
39 5. The department of revenue shall promulgate rules to implement the provisions of this
40 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
41 under the authority delegated in this section shall become effective only if it complies with and
42 is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section
43 and chapter 536 are nonseverable and if any of the powers vested with the general assembly
44 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule
45 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule
46 proposed or adopted after August 28, 2007, shall be invalid and void.
47 6. **[**Under section 23.253 of the Missouri sunset act:
48 (1) The provisions of the new program authorized under this section shall automatically
49 sunset four years after August 28, 2007, unless reauthorized by an act of the general assembly;
50 and
51 (2) If such program is reauthorized, the program authorized under this section shall
52 automatically sunset twelve years after the effective date of the reauthorization of this section;
53 and
54 (3) This section shall terminate on September first of the calendar year immediately
55 following the calendar year in which the program authorized under this section is sunset**]**
56 **Notwithstanding any other provision of law to the contrary, no tax credits shall be issued**
57 **under this section after December 31, 2012, and any tax credit issued before January 1,**
58 **2013, shall be redeemed before January 1, 2015**.
135.679. 1. This section shall be known and may be cited as the "Qualified Beef Tax
2 Credit Act".
3 2. As used in this section, the following terms mean:
4 (1) "Agricultural property", any real and personal property, including but not limited to
5 buildings, structures, improvements, equipment, and livestock, that is used in or is to be used in
6 this state by residents of this state for:

7 (a) The operation of a farm or ranch; and
8 (b) Grazing, feeding, or the care of livestock;
9 (2) "Authority", the agricultural and small business development authority established
10 in chapter 348;
11 (3) "Backgrounded", any additional weight at the time of the first qualifying sale, before
12 being finished, above the established baseline weight;
13 (4) "Baseline weight", the average weight in the immediate past three years of all beef
14 animals sold that are thirty months of age or younger, categorized by sex. Baseline weight for
15 qualified beef animals that are physically out-of-state but whose ownership is retained by a
16 resident of this state shall be established by the average transfer weight in the immediate past
17 three years of all beef animals that are thirty months of age or younger and that are transferred
18 out-of-state but whose ownership is retained by a resident of this state, categorized by sex. The
19 established baseline weight shall be effective for a period of three years. If the taxpayer is a
20 qualifying beef animal producer with fewer than three years of production, the baseline weight
21 shall be established by the available average weight in the immediate past year of all beef
22 animals sold that are thirty months of age or younger, categorized by sex. If the qualifying beef
23 animal producer has no previous production, the baseline weight shall be established by the
24 authority;
25 (5) "Finished", the period from backgrounded to harvest;
26 (6) "Qualifying beef animal", any beef animal that is certified by the authority, that was
27 born in this state after August 28, 2008, that was raised and backgrounded or finished in this state
28 by the taxpayer, excluding any beef animal more than thirty months of age as verified by certified
29 written birth records;
30 (7) "Qualifying sale", the first time a qualifying beef animal is sold in this state after the
31 qualifying beef animal is backgrounded, and a subsequent sale if the weight of the qualifying
32 beef animal at the time of the subsequent sale is greater than the weight of the qualifying beef
33 animal at the time of the first qualifying sale of such beef animal;
34 (8) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding
35 withholding tax imposed by sections 143.191 to 143.265, or otherwise due under chapter 147;
36 (9) "Taxpayer", any individual or entity who:
37 (a) Is subject to the tax imposed in chapter 143, excluding withholding tax imposed by
38 sections 143.191 to 143.265, or the tax imposed in chapter 147;
39 (b) In the case of an individual, is a resident of this state as verified by a 911 address or
40 in the absence of a 911 system, a physical address; and
41 (c) Owns or rents agricultural property and principal place of business is located in this
42 state.

43 3. For all taxable years beginning on or after January 1, 2009, but ending on or before
44 December 31, 2016, a taxpayer shall be allowed a tax credit for the first qualifying sale and for
45 a subsequent qualifying sale of all qualifying beef animals. The tax credit amount for the first
46 qualifying sale shall be ten cents per pound, shall be based on the backgrounded weight of all
47 qualifying beef animals at the time of the first qualifying sale, and shall be calculated as follows:
48 the qualifying sale weight minus the baseline weight multiplied by ten cents, as long as the
49 qualifying sale weight is equal to or greater than two hundred pounds above the baseline weight.
50 The tax credit amount for each subsequent qualifying sale shall be ten cents per pound, shall be
51 based on the backgrounded weight of all qualifying beef animals at the time of the subsequent
52 qualifying sale, and shall be calculated as follows: the qualifying sale weight minus the baseline
53 weight multiplied by ten cents, as long as the qualifying sale weight is equal to or greater than
54 two hundred pounds above the baseline weight. The authority may waive no more than
55 twenty-five percent of the two hundred pound weight gain requirement, but any such waiver shall
56 be based on a disaster declaration issued by the U. S. Department of Agriculture.
57 4. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's
58 state tax liability for the taxable year for which the credit is claimed. No tax credit claimed under
59 this section shall be refundable. The tax credit shall be claimed in the taxable year in which the
60 qualifying sale of the qualifying beef occurred, but any amount of credit that the taxpayer is
61 prohibited by this section from claiming in a taxable year may be carried forward to any of the
62 taxpayer's five subsequent taxable years and carried backward to any of the taxpayer's three
63 previous taxable years. The amount of tax credits that may be issued to all eligible applicants
64 claiming tax credits authorized in this section in a fiscal year shall not exceed three million
65 dollars. Tax credits shall be issued on an as-received application basis until the fiscal year limit
66 is reached. Any credits not issued in any fiscal year shall expire and shall not be issued in any
67 subsequent years.
68 5. To claim the tax credit allowed under this section, the taxpayer shall submit to the
69 authority an application for the tax credit on a form provided by the authority and any application
70 fee imposed by the authority. The application shall be filed with the authority at the end of each
71 calendar year in which a qualified sale was made and for which a tax credit is claimed under this
72 section. The application shall include any certified documentation and information required by
73 the authority. All required information obtained by the authority shall be confidential and not
74 disclosed except by court order, subpoena, or as otherwise provided by law. If the taxpayer and
75 the qualified sale meet all criteria required by this section and approval is granted by the
76 authority, the authority shall issue a tax credit certificate in the appropriate amount. Tax credit
77 certificates issued under this section may be assigned, transferred, sold, or otherwise conveyed,
78 and the new owner of the tax credit certificate shall have the same rights in the tax credit as the

79 original taxpayer. Whenever a tax credit certificate is assigned, transferred, sold or otherwise
80 conveyed, a notarized endorsement shall be filed with the authority specifying the name and
81 address of the new owner of the tax credit certificate or the value of the tax credit.
82 6. Any information provided under this section shall be confidential information, to be
83 shared with no one except state and federal animal health officials, except as provided in
84 subsection 5 of this section.
85 7. The authority may promulgate rules to implement the provisions of this section. Any
86 rule or portion of a rule, as that term is defined in section 536.010, that is created under the
87 authority delegated in this section shall become effective only if it complies with and is subject
88 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
89 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
90 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
91 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
92 or adopted after August 28, 2007, shall be invalid and void.
93 8. This section shall not be subject to the Missouri sunset act, sections 23.250 to 23.298.
94 **9. Notwithstanding any other provision of law to the contrary, no tax credits shall**
95 **be issued under this section after December 31, 2012, and any tax credit issued before**
96 **January 1, 2013, shall be redeemed before January 1, 2015.**

135.680. 1. As used in this section, the following terms shall mean:
2 (1) "Adjusted purchase price", the product of:
3 (a) The amount paid to the issuer of a qualified equity investment for such qualified
4 equity investment; and
5 (b) The following fraction:
6 a. The numerator shall be the dollar amount of qualified low-income community
7 investments held by the issuer in this state as of the credit allowance date during the applicable
8 tax year; and
9 b. The denominator shall be the total dollar amount of qualified low-income community
10 investments held by the issuer in all states as of the credit allowance date during the applicable
11 tax year;
12 c. For purposes of calculating the amount of qualified low-income community
13 investments held by an issuer, an investment shall be considered held by an issuer even if the
14 investment has been sold or repaid; provided that the issuer reinvests an amount equal to the
15 capital returned to or recovered by the issuer from the original investment, exclusive of any
16 profits realized, in another qualified low-income community investment within twelve months
17 of the receipt of such capital. An issuer shall not be required to reinvest capital returned from
18 qualified low-income community investments after the sixth anniversary of the issuance of the

19 qualified equity investment, the proceeds of which were used to make the qualified low-income
20 community investment, and the qualified low-income community investment shall be considered
21 held by the issuer through the seventh anniversary of the qualified equity investment's issuance;
22 (2) "Applicable percentage", zero percent for each of the first two credit allowance dates,
23 seven percent for the third credit allowance date, and eight percent for the next four credit
24 allowance dates;
25 (3) "Credit allowance date", with respect to any qualified equity investment:
26 (a) The date on which such investment is initially made; and
27 (b) Each of the six anniversary dates of such date thereafter;
28 (4) "Long-term debt security", any debt instrument issued by a qualified community
29 development entity, at par value or a premium, with an original maturity date of at least seven
30 years from the date of its issuance, with no acceleration of repayment, amortization, or
31 prepayment features prior to its original maturity date, and with no distribution, payment, or
32 interest features related to the profitability of the qualified community development entity or the
33 performance of the qualified community development entity's investment portfolio. The
34 foregoing shall in no way limit the holder's ability to accelerate payments on the debt instrument
35 in situations where the issuer has defaulted on covenants designed to ensure compliance with this
36 section or Section 45D of the Internal Revenue Code of 1986, as amended;
37 (5) "Qualified active low-income community business", the meaning given such term
38 in Section 45D of the Internal Revenue Code of 1986, as amended; provided that any business
39 that derives or projects to derive fifteen percent or more of its annual revenue from the rental or
40 sale of real estate shall not be considered to be a qualified active low-income community
41 business;
42 (6) "Qualified community development entity", the meaning given such term in Section
43 45D of the Internal Revenue Code of 1986, as amended; provided that such entity has entered
44 into an allocation agreement with the Community Development Financial Institutions Fund of
45 the U.S. Treasury Department with respect to credits authorized by Section 45D of the Internal
46 Revenue Code of 1986, as amended, which includes the state of Missouri within the service area
47 set forth in such allocation agreement;
48 (7) "Qualified equity investment", any equity investment in, or long-term debt security
49 issued by, a qualified community development entity that:
50 (a) Is acquired after September 4, 2007, at its original issuance solely in exchange for
51 cash;
52 (b) Has at least eighty-five percent of its cash purchase price used by the issuer to make
53 qualified low-income community investments; and

54 (c) Is designated by the issuer as a qualified equity investment under this subdivision and
55 is certified by the department of economic development as not exceeding the limitation contained
56 in subsection 2 of this section. This term shall include any qualified equity investment that does
57 not meet the provisions of paragraph (a) of this subdivision if such investment was a qualified
58 equity investment in the hands of a prior holder;
59 (8) "Qualified low-income community investment", any capital or equity investment in,
60 or loan to, any qualified active low-income community business. With respect to any one
61 qualified active low-income community business, the maximum amount of qualified low-income
62 community investments made in such business, on a collective basis with all of its affiliates, that
63 may be used from the calculation of any numerator described in subparagraph a. of paragraph
64 (b) of subdivision (1) of this subsection shall be ten million dollars whether issued to one or
65 several qualified community development entities;
66 (9) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding
67 withholding tax imposed in sections 143.191 to 143.265, or otherwise due under section 375.916
68 or chapter 147, 148, or 153;
69 (10) "Taxpayer", any individual or entity subject to the tax imposed in chapter 143,
70 excluding withholding tax imposed in sections 143.191 to 143.265, or the tax imposed in section
71 375.916 or chapter 147, 148, or 153.
72 2. A taxpayer that makes a qualified equity investment earns a vested right to tax credits
73 under this section. On each credit allowance date of such qualified equity investment the
74 taxpayer, or subsequent holder of the qualified equity investment, shall be entitled to a tax credit
75 during the taxable year including such credit allowance date. The tax credit amount shall be
76 equal to the applicable percentage of the adjusted purchase price paid to the issuer of such
77 qualified equity investment. The amount of the tax credit claimed shall not exceed the amount
78 of the taxpayer's state tax liability for the tax year for which the tax credit is claimed. No tax
79 credit claimed under this section shall be refundable or transferable. Tax credits earned by a
80 partnership, limited liability company, S-corporation, or other pass-through entity may be
81 allocated to the partners, members, or shareholders of such entity for their direct use in
82 accordance with the provisions of any agreement among such partners, members, or
83 shareholders. Any amount of tax credit that the taxpayer is prohibited by this section from
84 claiming in a taxable year may be carried forward to any of the taxpayer's five subsequent taxable
85 years. The department of economic development shall limit the monetary amount of qualified
86 equity investments permitted under this section to a level necessary to limit tax credit utilization
87 at no more than twenty-five million dollars of tax credits in any fiscal year. Such limitation on
88 qualified equity investments shall be based on the anticipated utilization of credits without regard
89 to the potential for taxpayers to carry forward tax credits to later tax years.

90 3. The issuer of the qualified equity investment shall certify to the department of
91 economic development the anticipated dollar amount of such investments to be made in this state
92 during the first twelve-month period following the initial credit allowance date. If on the second
93 credit allowance date, the actual dollar amount of such investments is different than the amount
94 estimated, the department of economic development shall adjust the credits arising on the second
95 allowance date to account for such difference.
96 4. The department of economic development shall recapture the tax credit allowed under
97 this section with respect to such qualified equity investment under this section if:
98 (1) Any amount of the federal tax credit available with respect to a qualified equity
99 investment that is eligible for a tax credit under this section is recaptured under Section 45D of
100 the Internal Revenue Code of 1986, as amended; or
101 (2) The issuer redeems or makes principal repayment with respect to a qualified equity
102 investment prior to the seventh anniversary of the issuance of such qualified equity investment.
103 Any tax credit that is subject to recapture shall be recaptured from the taxpayer that claimed the
104 tax credit on a return.
105 5. The department of economic development shall promulgate rules to implement the
106 provisions of this section, including recapture provisions on a scaled proportional basis, and to
107 administer the allocation of tax credits issued for qualified equity investments, which shall be
108 conducted on a first-come, first-serve basis. Any rule or portion of a rule, as that term is defined
109 in section 536.010, that is created under the authority delegated in this section shall become
110 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if
111 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the
112 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective
113 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of
114 rulemaking authority and any rule proposed or adopted after September 4, 2007, shall be invalid
115 and void.
116 6. For fiscal years following fiscal year 2010, qualified equity investments shall not be
117 made under this section unless reauthorization is made pursuant to this subsection. For all fiscal
118 years following fiscal year 2010, unless the general assembly adopts a concurrent resolution
119 granting authority to the department of economic development to approve qualified equity
120 investments for the Missouri new markets development program and clearly describing the
121 amount of tax credits available for the next fiscal year, or otherwise complies with the provisions
122 of this subsection, no qualified equity investments may be permitted to be made under this
123 section. The amount of available tax credits contained in such a resolution shall not exceed the
124 limitation provided under subsection 2 of this section. In any year in which the provisions of this
125 section shall sunset pursuant to subsection 7 of this section, reauthorization shall be made by

126 general law and not by concurrent resolution. Nothing in this subsection shall preclude a
127 taxpayer who makes a qualified equity investment prior to the expiration of authority to make
128 qualified equity investments from claiming tax credits relating to such qualified equity
129 investment for each applicable credit allowance date.

130 7. **[**Under section 23.253 of the Missouri sunset act:

131 (1) The provisions of the new program authorized under this section shall automatically
132 sunset six years after September 4, 2007, unless reauthorized by an act of the general assembly;
133 and

134 (2) If such program is reauthorized, the program authorized under this section shall
135 automatically sunset twelve years after the effective date of the reauthorization of this section;
136 and

137 (3) This section shall terminate on September first of the calendar year immediately
138 following the calendar year in which the program authorized under this section is sunset.
139 However, nothing in this subsection shall preclude a taxpayer who makes a qualified equity
140 investment prior to sunset of this section under the provisions of section 23.253 from claiming
141 tax credits relating to such qualified equity investment for each credit allowance date**]**
142 **Notwithstanding any other provision of law to the contrary, no tax credits shall be issued**
143 **under this section after December 31, 2012, and any tax credit issued before January 1,**
144 **2013, shall be redeemed before January 1, 2015**.

135.700. **1.** For all tax years beginning on or after January 1, 1999, a grape grower or
2 wine producer shall be allowed a tax credit against the state tax liability incurred pursuant to
3 chapter 143, exclusive of the provisions relating to the withholding of tax as provided in sections
4 143.191 to 143.265, in an amount equal to twenty-five percent of the purchase price of all new
5 equipment and materials used directly in the growing of grapes or the production of wine in the
6 state. Each grower or producer shall apply to the department of economic development and
7 specify the total amount of such new equipment and materials purchased during the calendar
8 year. The department of economic development shall certify to the department of revenue the
9 amount of such tax credit to which a grape grower or wine producer is entitled pursuant to this
10 section. The provisions of this section notwithstanding, a grower or producer may only apply
11 for and receive the credit authorized by this section for five tax periods.

12 **2. Notwithstanding any other provision of law to the contrary, no tax credits shall**
13 **be issued under this section after December 31, 2012, and any tax credit issued before**
14 **January 1, 2013, shall be redeemed before January 1, 2015.**

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

2 (1) "Alternative fuels", any motor fuel at least seventy percent of the volume of which
3 consists of one or more of the following:

4 (a) Ethanol;
5 (b) Natural gas;
6 (c) Compressed natural gas;
7 (d) Liquified natural gas;
8 (e) Liquified petroleum gas;
9 (f) Any mixture of biodiesel and diesel fuel, without regard to any use of kerosene;
10 (g) Hydrogen;
11 (2) "Department", the department of natural resources;
12 (3) "Eligible applicant", a business entity that is the owner of a qualified alternative fuel
13 vehicle refueling property;
14 (4) "Qualified alternative fuel vehicle refueling property", property in this state owned
15 by an eligible applicant and used for storing alternative fuels and for dispensing such alternative
16 fuels into fuel tanks of motor vehicles owned by such eligible applicant or private citizens which,
17 if constructed after August 28, 2008, was constructed with at least fifty-one percent of the costs
18 being paid to qualified Missouri contractors for the:
19 (a) Fabrication of premanufactured equipment or process piping used in the construction
20 of such facility;
21 (b) Construction of such facility; and
22 (c) General maintenance of such facility during the time period in which such facility
23 receives any tax credit under this section. If no qualified Missouri contractor is located within
24 seventy-five miles of the property, the requirement that fifty-one percent of the costs shall be
25 paid to qualified Missouri contractors shall not apply;
26 (5) "Qualified Missouri contractor", a contractor whose principal place of business is
27 located in Missouri and has been located in Missouri for a period of not less than five years.
28 2. For all tax years beginning on or after January 1, 2009, but before January 1, 2012,
29 any eligible applicant who installs and operates a qualified alternative fuel vehicle refueling
30 property shall be allowed a credit against the tax otherwise due under chapter 143, excluding
31 withholding tax imposed by sections 143.191 to 143.265, or due under chapter 147 or chapter
32 148 for any tax year in which the applicant is constructing the refueling property. The credit
33 allowed in this section per eligible applicant shall not exceed the lesser of twenty thousand
34 dollars or twenty percent of the total costs directly associated with the purchase and installation
35 of any alternative fuel storage and dispensing equipment on any qualified alternative fuel vehicle
36 refueling property, which shall not include the following:
37 (1) Costs associated with the purchase of land upon which to place a qualified alternative
38 fuel vehicle refueling property;

39 (2) Costs associated with the purchase of an existing qualified alternative fuel vehicle
40 refueling property; or
41 (3) Costs for the construction or purchase of any structure.
42 3. Tax credits allowed by this section shall be claimed by the eligible applicant at the
43 time such applicant files a return for the tax year in which the storage and dispensing facilities
44 were placed in service at a qualified alternative fuel vehicle refueling property, and shall be
45 applied against the income tax liability imposed by chapter 143, chapter 147, or chapter 148 after
46 all other credits provided by law have been applied. The cumulative amount of tax credits which
47 may be claimed by eligible applicants claiming all credits authorized in this section shall not
48 exceed the following amounts:
49 (1) In taxable year 2009, three million dollars;
50 (2) In taxable year 2010, two million dollars; and
51 (3) In taxable year 2011, one million dollars.
52 4. If the amount of the tax credit exceeds the eligible applicant's tax liability, the
53 difference shall not be refundable. Any amount of credit that an eligible applicant is prohibited
54 by this section from claiming in a taxable year may be carried forward to any of such applicant's
55 two subsequent taxable years. Tax credits allowed under this section may be assigned,
56 transferred, sold, or otherwise conveyed.
57 5. An alternative fuel vehicle refueling property, for which an eligible applicant receives
58 tax credits under this section, which ceases to sell alternative fuel shall cause the forfeiture of
59 such eligible applicant's tax credits provided under this section for the taxable year in which the
60 alternative fuel vehicle refueling property ceased to sell alternative fuel and for future taxable
61 years with no recapture of tax credits obtained by an eligible applicant with respect to such
62 applicant's tax years which ended before the sale of alternative fuel ceased.
63 6. The director of revenue shall establish the procedure by which the tax credits in this
64 section may be claimed, and shall establish a procedure by which the cumulative amount of tax
65 credits is apportioned equally among all eligible applicants claiming the credit. To the maximum
66 extent possible, the director of revenue shall establish the procedure described in this subsection
67 in such a manner as to ensure that eligible applicants can claim all the tax credits possible up to
68 the cumulative amount of tax credits available for the taxable year. No eligible applicant
69 claiming a tax credit under this section shall be liable for any interest or penalty for filing a tax
70 return after the date fixed for filing such return as a result of the apportionment procedure under
71 this subsection.
72 7. Any eligible applicant desiring to claim a tax credit under this section shall submit the
73 appropriate application for such credit with the department. The application for a tax credit
74 under this section shall include any information required by the department. The department

75 shall review the applications and certify to the department of revenue each eligible applicant that
76 qualifies for the tax credit.
77 8. The department and the department of revenue may promulgate rules to implement
78 the provisions of this section. Any rule or portion of a rule, as that term is defined in section
79 536.010, that is created under the authority delegated in this section shall become effective only
80 if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section
81 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the
82 general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove
83 and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority
84 and any rule proposed or adopted after August 28, 2008, shall be invalid and void.
85 9. **[**Pursuant to section 23.253 of the Missouri sunset act:
86 (1) The provisions of the new program authorized under this section shall automatically
87 sunset six years after August 28, 2008, unless reauthorized by an act of the general assembly; and
88 (2) If such program is reauthorized, the program authorized under this section shall
89 automatically sunset twelve years after the effective date of the reauthorization of this section;
90 and
91 (3) This section shall terminate on December thirty-first of the calendar year immediately
92 following the calendar year in which the program authorized under this section is sunset**]**
93 **Notwithstanding any other provision of law to the contrary, no tax credits shall be issued**
94 **under this section after December 31, 2012, and any tax credit issued before January 1,**
95 **2013, shall be redeemed before January 1, 2015**.
135.750. 1. As used in this section, the following terms mean:
2 (1) "Highly compensated individual", any individual who receives compensation in
3 excess of one million dollars in connection with a single qualified film production project;
4 (2) "Qualified film production project", any film, video, commercial, or television
5 production, as approved by the department of economic development and the office of the
6 Missouri film commission, that is under thirty minutes in length with an expected in-state
7 expenditure budget in excess of fifty thousand dollars, or that is over thirty minutes in length
8 with an expected in-state expenditure budget in excess of one hundred thousand dollars.
9 Regardless of the production costs, "qualified film production project" shall not include any:
10 (a) News or current events programming;
11 (b) Talk show;
12 (c) Production produced primarily for industrial, corporate, or institutional purposes, and
13 for internal use;
14 (d) Sports event or sports program;
15 (e) Gala presentation or awards show;

16 (f) Infomercial or any production that directly solicits funds;
17 (g) Political ad;
18 (h) Production that is considered obscene, as defined in section 573.010;
19 (3) "Qualifying expenses", the sum of the total amount spent in this state for the
20 following by a production company in connection with a qualified film production project:
21 (a) Goods and services leased or purchased by the production company. For goods with
22 a purchase price of twenty-five thousand dollars or more, the amount included in qualifying
23 expenses shall be the purchase price less the fair market value of the goods at the time the
24 production is completed;
25 (b) Compensation and wages paid by the production company on which the production
26 company remitted withholding payments to the department of revenue under chapter 143. For
27 purposes of this section, compensation and wages shall not include any amounts paid to a highly
28 compensated individual;
29 (4) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding
30 withholding tax imposed by sections 143.191 to 143.265, or otherwise due under chapter 148;
31 (5) "Taxpayer", any individual, partnership, or corporation as described in section
32 143.441, 143.471, or section 148.370 that is subject to the tax imposed in chapter 143, excluding
33 withholding tax imposed by sections 143.191 to 143.265, or the tax imposed in chapter 148 or
34 any charitable organization which is exempt from federal income tax and whose Missouri
35 unrelated business taxable income, if any, would be subject to the state income tax imposed
36 under chapter 143.
37 2. For all taxable years beginning on or after January 1, 1999, but ending on or before
38 December 31, 2007, a taxpayer shall be granted a tax credit for up to fifty percent of the amount
39 of investment in production or production-related activities in any film production project with
40 an expected in-state expenditure budget in excess of three hundred thousand dollars. For all
41 taxable years beginning on or after January 1, 2008, a taxpayer shall be allowed a tax credit for
42 up to thirty-five percent of the amount of qualifying expenses in a qualified film production
43 project. Each film production company shall be limited to one qualified film production project
44 per year. Activities qualifying a taxpayer for the tax credit pursuant to this subsection shall be
45 approved by the office of the Missouri film commission and the department of economic
46 development.
47 3. Taxpayers shall apply for the film production tax credit by submitting an application
48 to the department of economic development, on a form provided by the department. As part of
49 the application, the expected in-state expenditures of the qualified film production project shall
50 be documented. In addition, the application shall include an economic impact statement,
51 showing the economic impact from the activities of the film production project. Such economic

52 impact statement shall indicate the impact on the region of the state in which the film production
53 or production-related activities are located and on the state as a whole.
54 4. For all taxable years ending on or before December 31, 2007, tax credits certified
55 pursuant to subsection 2 of this section shall not exceed one million dollars per taxpayer per year,
56 and shall not exceed a total for all tax credits certified of one million five hundred thousand
57 dollars per year. For all taxable years beginning on or after January 1, 2008, tax credits certified
58 under subsection 1 of this section shall not exceed a total for all tax credits certified of four
59 million five hundred thousand dollars per year. Taxpayers may carry forward unused credits for
60 up to five tax periods, provided all such credits shall be claimed within ten tax periods following
61 the tax period in which the film production or production-related activities for which the credits
62 are certified by the department occurred.
63 5. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign,
64 exchange, convey or otherwise transfer tax credits allowed in subsection 2 of this section. The
65 taxpayer acquiring the tax credits may use the acquired credits to offset the tax liabilities
66 otherwise imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to
67 143.265, or chapter 148. Unused acquired credits may be carried forward for up to five tax
68 periods, provided all such credits shall be claimed within ten tax periods following the tax period
69 in which the film production or production-related activities for which the credits are certified
70 by the department occurred.
71 6. **[**Under section 23.253 of the Missouri sunset act:
72 (1) The provisions of the new program authorized under this section shall automatically
73 sunset six years after November 28, 2007, unless reauthorized by an act of the general assembly;
74 and
75 (2) If such program is reauthorized, the program authorized under this section shall
76 automatically sunset twelve years after the effective date of the reauthorization of this section;
77 and
78 (3) This section shall terminate on September first of the calendar year immediately
79 following the calendar year in which the program authorized under this section is sunset**]**
80 **Notwithstanding any other provision of law to the contrary, no tax credits shall be issued**
81 **under this section after December 31, 2012, and any tax credit issued before January 1,**
82 **2013, shall be redeemed before January 1, 2015**.
135.766. **1.** An eligible small business, as defined in Section 44 of the Internal Revenue
2 Code, shall be allowed a credit against the tax otherwise due pursuant to chapter 143, not
3 including sections 143.191 to 143.265, in an amount equal to any amount paid by the eligible
4 small business to the United States Small Business Administration as a guaranty fee pursuant to
5 obtaining Small Business Administration guaranteed financing and to programs administered by

6 the United States Department of Agriculture for rural development or farm service agencies. No
7 tax credits provided under this section shall be authorized on or after the thirtieth day following
8 the effective date of this act. The provisions of this subsection shall not be construed to limit or
9 in any way impair the department's ability to issue tax credits authorized prior to the thirtieth day
10 following the effective date of this act, or a taxpayer's ability to redeem such tax credits.

11 **2. Notwithstanding any other provision of law to the contrary, no tax credits shall**
12 **be issued under this section after December 31, 2012, and any tax credit issued before**
13 **January 1, 2013, shall be redeemed before January 1, 2015.**

135.967. 1. A taxpayer who establishes a new business facility may, upon approval by
2 the department, be allowed a credit, each tax year for up to ten tax years, in an amount
3 determined as set forth in this section, against the tax imposed by chapter 143, excluding
4 withholding tax imposed by sections 143.191 to 143.265. No taxpayer shall receive multiple
5 ten-year periods for subsequent expansions at the same facility.

6 2. Notwithstanding any provision of law to the contrary, any taxpayer who establishes
7 a new business facility in an enhanced enterprise zone and is awarded state tax credits under this
8 section may not also receive tax credits under sections 135.100 to 135.150, sections 135.200 to
9 135.286, or section 135.535, and may not simultaneously receive tax credits under sections
10 620.1875 to 620.1890 at the same facility.

11 3. No credit shall be issued pursuant to this section unless:

12 (1) The number of new business facility employees engaged or maintained in
13 employment at the new business facility for the taxable year for which the credit is claimed
14 equals or exceeds two; and

15 (2) The new business facility investment for the taxable year for which the credit is
16 claimed equals or exceeds one hundred thousand dollars.

17 4. The annual amount of credits allowed for an approved enhanced business enterprise
18 shall be the lesser of:

19 (1) The annual amount authorized by the department for the enhanced business
20 enterprise, which shall be limited to the projected state economic benefit, as determined by the
21 department; or

22 (2) The sum calculated based upon the following:

23 (a) A credit of four hundred dollars for each new business facility employee employed
24 within an enhanced enterprise zone;

25 (b) An additional credit of four hundred dollars for each new business facility employee
26 who is a resident of an enhanced enterprise zone;

27 (c) An additional credit of four hundred dollars for each new business facility employee
28 who is paid by the enhanced business enterprise a wage that exceeds the average wage paid
29 within the county in which the facility is located, as determined by the department; and
30 (d) A credit equal to two percent of new business facility investment within an enhanced
31 enterprise zone.
32 5. Prior to January 1, 2007, in no event shall the department authorize more than four
33 million dollars annually to be issued for all enhanced business enterprises. After December 31,
34 2006, in no event shall the department authorize more than twenty-four million dollars annually
35 to be issued for all enhanced business enterprises.
36 6. If a facility, which does not constitute a new business facility, is expanded by the
37 taxpayer, the expansion shall be considered eligible for the credit allowed by this section if:
38 (1) The taxpayer's new business facility investment in the expansion during the tax
39 period in which the credits allowed in this section are claimed exceeds one hundred thousand
40 dollars and if the number of new business facility employees engaged or maintained in
41 employment at the expansion facility for the taxable year for which credit is claimed equals or
42 exceeds two, and the total number of employees at the facility after the expansion is at least two
43 greater than the total number of employees before the expansion; and
44 (2) The taxpayer's investment in the expansion and in the original facility prior to
45 expansion shall be determined in the manner provided in subdivision (19) of section 135.950.
46 7. The number of new business facility employees during any taxable year shall be
47 determined by dividing by twelve the sum of the number of individuals employed on the last
48 business day of each month of such taxable year. If the new business facility is in operation for
49 less than the entire taxable year, the number of new business facility employees shall be
50 determined by dividing the sum of the number of individuals employed on the last business day
51 of each full calendar month during the portion of such taxable year during which the new
52 business facility was in operation by the number of full calendar months during such period. For
53 the purpose of computing the credit allowed by this section in the case of a facility which
54 qualifies as a new business facility under subsection 6 of this section, and in the case of a new
55 business facility which satisfies the requirements of paragraph (c) of subdivision (17) of section
56 135.950, or subdivision (25) of section 135.950, the number of new business facility employees
57 at such facility shall be reduced by the average number of individuals employed, computed as
58 provided in this subsection, at the facility during the taxable year immediately preceding the
59 taxable year in which such expansion, acquisition, or replacement occurred and shall further be
60 reduced by the number of individuals employed by the taxpayer or related taxpayer that was
61 subsequently transferred to the new business facility from another Missouri facility and for which

62 credits authorized in this section are not being earned, whether such credits are earned because
63 of an expansion, acquisition, relocation, or the establishment of a new facility.
64 8. In the case where a new business facility employee who is a resident of an enhanced
65 enterprise zone for less than a twelve-month period is employed for less than a twelve-month
66 period, the credits allowed by paragraph (b) of subdivision (2) of subsection 4 of this section
67 shall be determined by multiplying four hundred dollars by a fraction, the numerator of which
68 is the number of calendar days during the taxpayer's tax year for which such credits are claimed,
69 in which the employee was a resident of an enhanced enterprise zone, and the denominator of
70 which is three hundred sixty-five.
71 9. For the purpose of computing the credit allowed by this section in the case of a facility
72 which qualifies as a new business facility pursuant to subsection 6 of this section, and in the case
73 of a new business facility which satisfies the requirements of paragraph (c) of subdivision (17)
74 of section 135.950 or subdivision (25) of section 135.950, the amount of the taxpayer's new
75 business facility investment in such facility shall be reduced by the average amount, computed
76 as provided in subdivision (19) of section 135.950 for new business facility investment, of the
77 investment of the taxpayer, or related taxpayer immediately preceding such expansion or
78 replacement or at the time of acquisition. Furthermore, the amount of the taxpayer's new
79 business facility investment shall also be reduced by the amount of investment employed by the
80 taxpayer or related taxpayer which was subsequently transferred to the new business facility from
81 another Missouri facility and for which credits authorized in this section are not being earned,
82 whether such credits are earned because of an expansion, acquisition, relocation, or the
83 establishment of a new facility.
84 10. For a taxpayer with flow-through tax treatment to its members, partners, or
85 shareholders, the credit shall be allowed to members, partners, or shareholders in proportion to
86 their share of ownership on the last day of the taxpayer's tax period.
87 11. Credits may not be carried forward but shall be claimed for the taxable year during
88 which commencement of commercial operations occurs at such new business facility, and for
89 each of the nine succeeding taxable years for which the credit is issued.
90 12. Certificates of tax credit authorized by this section may be transferred, sold, or
91 assigned by filing a notarized endorsement thereof with the department that names the transferee,
92 the amount of tax credit transferred, and the value received for the credit, as well as any other
93 information reasonably requested by the department. The sale price cannot be less than
94 seventy-five percent of the par value of such credits.
95 13. The director of revenue shall issue a refund to the taxpayer to the extent that the
96 amount of credits allowed in this section exceeds the amount of the taxpayer's income tax.

97 14. Prior to the issuance of tax credits, the department shall verify through the
98 department of revenue, or any other state department, that the tax credit applicant does not owe
99 any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent
100 fees or assessments levied by any state department and through the department of insurance,
101 financial institutions and professional registration that the applicant does not owe any delinquent
102 insurance taxes. Such delinquency shall not affect the authorization of the application for such
103 tax credits, except that the amount of credits issued shall be reduced by the applicant's tax
104 delinquency. If the department of revenue or the department of insurance, financial institutions
105 and professional registration, or any other state department, concludes that a taxpayer is
106 delinquent after June fifteenth but before July first of any year and the application of tax credits
107 to such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer
108 shall be granted thirty days to satisfy the deficiency in which interest, penalties, and additions
109 to tax shall be tolled. After applying all available credits toward a tax delinquency, the
110 administering agency shall notify the appropriate department, and that department shall update
111 the amount of outstanding delinquent tax owed by the applicant. If any credits remain after
112 satisfying all insurance, income, sales, and use tax delinquencies, the remaining credits shall be
113 issued to the applicant, subject to the restrictions of other provisions of law.

114 **15. Notwithstanding any other provision of law to the contrary, no tax credits shall**
115 **be issued under sections 135.950 to 135.970 after December 31, 2012, and any tax credit**
116 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**

135.968. 1. A taxpayer who establishes a megaproject, approved by the department,
2 within an enhanced enterprise zone shall, in exchange for the consideration provided by new tax
3 revenues and other economic stimuli that will be generated from the new jobs created by the
4 megaproject, be allowed an income tax credit equal to the percentage of actual new annual
5 payroll of the taxpayer attributable to employees directly related to the manufacturing and
6 assembly process and administration, as provided under subsection 4 of this section. A taxpayer
7 seeking approval of a megaproject shall submit an application to the department. The
8 department shall not approve any megaproject after December 31, 2008. The department shall
9 not approve any credits for megaprojects to be issued prior to January 1, 2013, and in no event
10 shall the department authorize more than forty million dollars to be issued annually for all
11 megaprojects. The total amount of credits issued under this section shall not exceed two hundred
12 forty million dollars.

13 2. In considering applications for approval of megaprojects, the department may approve
14 an application if:

15 (1) The taxpayer's project is financially sound and the taxpayer has adequately
16 demonstrated an ability to successfully undertake and complete the megaproject. This

17 determination shall be supported by a professional third-party market feasibility analysis
18 conducted on behalf of the state by a firm with direct experience with the industry of the
19 proposed megaproject, and by a professional third-party financial analysis of the taxpayer's
20 ability to complete the project;
21 (2) The taxpayer's plan of repayment to the state of the amount of tax credits provided
22 is reasonable and sound;
23 (3) The taxpayer's megaproject will create new jobs that were not jobs previously
24 performed by employees of the taxpayer or a related taxpayer in Missouri;
25 (4) Local taxing entities are providing a significant level of incentives for the
26 megaproject relative to the projected new local tax revenues created by the megaproject;
27 (5) There is at least one other state or foreign country that the taxpayer verifies is being
28 considered for the project, and receiving megaproject tax credits is a major factor in the
29 taxpayer's decision to go forward with the project and not receiving the credit will result in the
30 taxpayer not creating new jobs in Missouri;
31 (6) The megaproject will be located in an enhanced enterprise zone which constitutes
32 an economic or social liability and a detriment to the public health, safety, morals, or welfare in
33 its present condition and use;
34 (7) The completion of the megaproject will serve an essential public municipal purpose
35 by creating a substantial number of new jobs for citizens, increasing their purchasing power,
36 improving their living conditions, and relieving the demand for unemployment and welfare
37 assistance thereby promoting the economic development of the enhanced enterprise zone, the
38 municipality, and the state; and
39 (8) The creation of new jobs will assist the state in providing the services needed to
40 protect the health, safety, and social and economic well-being of the citizens of the state.
41 3. Prior to final approval of an application, a binding contract shall be executed between
42 the taxpayer and the department of economic development which shall include, but not be
43 limited to:
44 (1) A repayment plan providing for cash payment to the state general revenue fund which
45 shall result in a positive internal rate of return to the state and fully comply with the provisions
46 of the World Trade Organization Agreement on Subsidies and Countervailing Measures. The
47 rate of return shall be commercially reasonable and, over the life of the project, exceed one
48 hundred and fifty percent of the state's borrowing costs based on the AAA-rated twenty-year
49 tax-exempt bond rate average over a twenty-year borrowing period. The rate shall be verified
50 by a professional third-party financial analysis;
51 (2) The taxpayer's obligation to construct a facility of at least one million square feet
52 within five years from the date of approval;

53 (3) A requirement that the issuance of tax credits authorized under this section shall
54 cease and the taxpayer shall immediately submit payment, to the state general revenue fund, in
55 an amount equal to all credits previously issued less any amounts previously repaid, increased
56 by an additional amount that shall provide the state a reasonable rate of return, in the event the
57 taxpayer:
58 (a) Fails to construct a facility of at least one million square feet within five years of the
59 date of approval;
60 (b) Fails to make a scheduled payment as required by the repayment plan; or
61 (c) Fails to compensate new jobs at rate equal to or in excess of the county average wage
62 or fails to offer health insurance to all such new jobs and pay at least eighty percent of such
63 premiums; and
64 (4) A requirement that the department shall suspend issuance of tax credits authorized
65 under this section if, at any point, the total amount of tax credits issued less the total amount of
66 repayments received equals one hundred and fifty-five million dollars.
67 4. Upon approval of an application by the department, tax credits shall be issued
68 annually for a period not to exceed eight years from the commencement of commercial
69 operations of the megaproject. The eight-year period for the issuance of megaproject tax credits
70 may extend beyond the expiration of the enhanced enterprise zone. The maximum percentage
71 of the annual payroll of the taxpayer for new jobs located at the megaproject which may be
72 approved or issued by the department for tax credits shall not exceed:
73 (1) Eighty percent for the first three years that tax credits will be issued for the
74 megaproject;
75 (2) Sixty percent for the next two subsequent years;
76 (3) Fifty percent for the next two subsequent years; and
77 (4) Thirty percent for the remaining year. In no event shall the department issue more
78 than forty million dollars annually in megaproject tax credits to any taxpayer. In any given year,
79 the amount of tax credits issued shall be the lesser of forty million dollars, the applicable annual
80 payroll percentage, or the amount of tax credits remaining unissued under the two hundred forty
81 million dollar limitation on megaproject tax credit issuance provided under subsection 1 of this
82 section.
83 5. Tax credits issued under this section may be claimed against the tax imposed by
84 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265.
85
86 For taxpayers with flow-through tax treatment of its members, partners, or shareholders, the
87 credit shall be allowed to members, partners, or shareholders in proportion to their share of
88 ownership on the last day of the taxpayer's tax period. The director of revenue shall issue a

89 refund to a taxpayer to the extent the amount of credits allowed in this section exceeds the
90 amount of the taxpayer's income tax liability in the year redemption is authorized. An owner of
91 tax credits issued under this section shall not be required to have any Missouri income tax
92 liability in order to redeem such tax credits and receive a refund. The director of revenue shall
93 prepare a form to permit the owner of such tax credits to obtain a refund.

94 6. Certificates of tax credits authorized under this section may be transferred, sold, or
95 assigned by filing a notarized endorsement thereof with the department that names the transferee,
96 the amount of tax credit transferred, and the value received for the credit, as well as any other
97 information reasonably requested by the department. Upon such transfer, sale, or assignment,
98 the transferee shall be the owner of such tax credits entitled to claim the tax credits or any
99 refunds with respect thereto issued to the taxpayer. Tax credits may not be carried forward past
100 the year of issuance. Tax credits authorized by this section may not be pledged or used to secure
101 any bonds or other indebtedness issued by the state or any political subdivision of the state.
102 Once such tax credits have been issued, nothing shall prohibit the owner of the tax credits from
103 pledging the tax credits to any lender or other third party.

104 7. Any taxpayer issued tax credits under this section shall provide an annual report to the
105 department and the house and senate appropriations committees of the number of new jobs
106 located at the megaproject, the new annual payroll of such new jobs, and such other information
107 as may be required by the department to document the basis for benefits under this section. The
108 department may withhold the approval of the annual issuance of any tax credits until it is
109 satisfied that proper documentation has been provided, and shall reduce the tax credits to reflect
110 any reduction in new payroll. If the department determines the average wage is below the county
111 average wage, or the taxpayer has not maintained employee health insurance as required, the
112 taxpayer shall not receive tax credits for that year.

113 8. Notwithstanding any provision of law to the contrary, any taxpayer who is awarded
114 tax credits under this section shall not also receive tax credits under sections 135.100 to 135.150,
115 sections 135.200 to 135.286, section 135.535, or sections 620.1875 to 620.1890.

116 9. Any action brought in any court contesting the approval of a megaproject and the
117 issuance of the tax credits, or any other action undertaken pursuant to this section related to such
118 megaproject, shall be filed within ninety days following approval of the megaproject by the
119 department.

120 10. Records and documents relating to a proposed megaproject shall be deemed closed
121 records until such time as the application has been approved. Provisions of this subsection to
122 the contrary notwithstanding, records containing business plan information which may endanger
123 the competitiveness of the business shall remain closed.

124 11. Notwithstanding any provision of this section to the contrary, no taxpayer who
125 receives megaproject tax credits authorized under this section or any related taxpayer shall
126 employ, prior to January 1, 2022, directly:
127 (1) Any elected public official of this state holding office as of January 1, 2008;
128 (2) Any director, deputy director, division director, or employee directly involved in
129 negotiations between the department of economic development and a taxpayer relative to the
130 megaproject who was employed as of January 1, 2008, by the department.
131 **12. Notwithstanding any other provision of law to the contrary, no tax credits shall**
132 **be issued under sections 135.950 to 135.970 after December 31, 2012, and any tax credit**
133 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**

135.1150. 1. This section shall be known and may be cited as the "Residential
2 Treatment Agency Tax Credit Act".
3 2. As used in this section, the following terms mean:
4 (1) "Certificate", a tax credit certificate issued under this section;
5 (2) "Department", the Missouri department of social services;
6 (3) "Eligible donation", donations received from a taxpayer by an agency that are used
7 solely to provide direct care services to children who are residents of this state. Eligible
8 donations may include cash, publicly traded stocks and bonds, and real estate that will be valued
9 and documented according to rules promulgated by the department of social services. For
10 purposes of this section, "direct care services" include but are not limited to increasing the
11 quality of care and service for children through improved employee compensation and training;
12 (4) "Qualified residential treatment agency" or "agency", a residential care facility that
13 is licensed under section 210.484, accredited by the Council on Accreditation (COA), the Joint
14 Commission on Accreditation of Healthcare Organizations (JCAHO), or the Commission on
15 Accreditation of Rehabilitation Facilities (CARF), and is under contract with the Missouri
16 department of social services to provide treatment services for children who are residents or
17 wards of residents of this state, and that receives eligible donations. Any agency that operates
18 more than one facility or at more than one location shall be eligible for the tax credit under this
19 section only for any eligible donation made to facilities or locations of the agency which are
20 licensed and accredited;
21 (5) "Taxpayer", any of the following individuals or entities who make an eligible
22 donation to an agency:
23 (a) A person, firm, partner in a firm, corporation, or a shareholder in an S corporation
24 doing business in the state of Missouri and subject to the state income tax imposed in chapter
25 143;
26 (b) A corporation subject to the annual corporation franchise tax imposed in chapter 147;

27 (c) An insurance company paying an annual tax on its gross premium receipts in this
28 state;
29 (d) Any other financial institution paying taxes to the state of Missouri or any political
30 subdivision of this state under chapter 148;
31 (e) An individual subject to the state income tax imposed in chapter 143;
32 (f) Any charitable organization which is exempt from federal income tax and whose
33 Missouri unrelated business taxable income, if any, would be subject to the state income tax
34 imposed under chapter 143.
35 3. For all taxable years beginning on or after January 1, 2007, any taxpayer shall be
36 allowed a credit against the taxes otherwise due under chapter 147, 148, or 143, excluding
37 withholding tax imposed by sections 143.191 to 143.265, in an amount equal to fifty percent of
38 the amount of an eligible donation, subject to the restrictions in this section. The amount of the
39 tax credit claimed shall not exceed the amount of the taxpayer's state income tax liability in the
40 tax year for which the credit is claimed. Any amount of credit that the taxpayer is prohibited by
41 this section from claiming in a tax year shall not be refundable, but may be carried forward to
42 any of the taxpayer's four subsequent taxable years.
43 4. To claim the credit authorized in this section, an agency may submit to the department
44 an application for the tax credit authorized by this section on behalf of taxpayers. The
45 department shall verify that the agency has submitted the following items accurately and
46 completely:
47 (1) A valid application in the form and format required by the department;
48 (2) A statement attesting to the eligible donation received, which shall include the name
49 and taxpayer identification number of the individual making the eligible donation, the amount
50 of the eligible donation, and the date the eligible donation was received by the agency; and
51 (3) Payment from the agency equal to the value of the tax credit for which application
52 is made. If the agency applying for the tax credit meets all criteria required by this subsection,
53 the department shall issue a certificate in the appropriate amount.
54 5. An agency may apply for tax credits in an aggregate amount that does not exceed forty
55 percent of the payments made by the department to the agency in the preceding twelve months.
56 6. Tax credits issued under this section may be assigned, transferred, sold, or otherwise
57 conveyed, and the new owner of the tax credit shall have the same rights in the credit as the
58 taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise conveyed, a
59 notarized endorsement shall be filed with the department specifying the name and address of the
60 new owner of the tax credit or the value of the credit.
61 7. The department shall promulgate rules to implement the provisions of this section.
62 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the

63 authority delegated in this section shall become effective only if it complies with and is subject
64 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
65 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
66 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
67 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
68 or adopted after August 28, 2006, shall be invalid and void.
69 8. **[**Under section 23.253 of the Missouri sunset act:
70 (1) The provisions of the new program authorized under this section shall automatically
71 sunset six years after August 28, 2006, unless reauthorized by an act of the general assembly; and
72 (2) If such program is reauthorized, the program authorized under this section shall
73 automatically sunset twelve years after the effective date of the reauthorization of this section;
74 and
75 (3) This section shall terminate on September first of the calendar year immediately
76 following the calendar year in which the program authorized under this section is sunset**]**
77 **Notwithstanding any other provision of law to the contrary, no tax credits shall be issued**
78 **under this section after December 31, 2012, and any tax credit issued before January 1,**
79 **2013, shall be redeemed before January 1, 2015**.
137.106. 1. This section **[**may**] shall** be known and may be cited as "The Missouri
2 Homestead Preservation Act".
3 2. As used in this section, the following terms shall mean:
4 (1) "Department", the department of revenue;
5 (2) "Director", the director of revenue;
6 (3) "Disabled", as such term is defined in section 135.010;
7 (4) "Eligible owner", any individual owner of property who is sixty-five years old or
8 older as of January first of the tax year in which the individual is claiming the credit or who is
9 disabled, and who had an income of equal to or less than the maximum upper limit in the year
10 prior to completing an application pursuant to this section; or
11 (a) In the case of a married couple owning property either jointly or as tenants by the
12 entirety, or where only one spouse owns the property, such couple shall be considered an eligible
13 taxpayer if both spouses have reached the age of sixty-five or if one spouse is disabled, or if one
14 spouse is at least sixty-five years old and the other spouse is at least sixty years old, and the
15 combined income of the couple in the year prior to completing an application pursuant to this
16 section did not exceed the maximum upper limit; or
17 (b) In the case of joint ownership by unmarried persons or ownership by tenancy in
18 common by two or more unmarried persons, such owners shall be considered an eligible owner
19 if each person with an ownership interest individually satisfies the eligibility requirements for

20 an individual eligible owner under this section and the combined income of all individuals with
21 an interest in the property is equal to or less than the maximum upper limit in the year prior to
22 completing an application under this section. If any individual with an ownership interest in the
23 property fails to satisfy the eligibility requirements of an individual eligible owner or if the
24 combined income of all individuals with interest in the property exceeds the maximum upper
25 limit, then all individuals with an ownership interest in such property shall be deemed ineligible
26 owners regardless of such other individual's ability to individually meet the eligibility
27 requirements; or
28 (c) In the case of property held in trust, the eligible owner and recipient of the tax credit
29 shall be the trust itself provided the previous owner of the homestead or the previous owner's
30 spouse: is the settlor of the trust with respect to the homestead; currently resides in such
31 homestead; and but for the transfer of such property would have satisfied the age, ownership, and
32 maximum upper limit requirements for income as defined in subdivisions (7) and (8) of this
33 subsection**[;] .**
34
35 No individual shall be an eligible owner if the individual has not paid **[**their**] the individual's**
36 property tax liability, if any, in full by the payment due date in any of the three prior tax years,
37 except that a late payment of a property tax liability in any prior year shall not disqualify a
38 potential eligible owner if such owner paid in full the tax liability and any and all penalties,
39 additions and interest that arose as a result of such late payment; no individual shall be an
40 eligible owner if such person filed a valid claim for the senior citizens property tax relief credit
41 pursuant to sections 135.010 to 135.035;
42 (5) "Homestead", as such term is defined pursuant to section 135.010, except as limited
43 by provisions of this section to the contrary. No property shall be considered a homestead if such
44 property was improved since the most recent annual assessment by more than five percent of the
45 prior year appraised value, except where an eligible owner of the property has made such
46 improvements to accommodate a disabled person;
47 (6) "Homestead exemption limit", a percentage increase, rounded to the nearest
48 hundredth of a percent, which shall be equal to the percentage increase to tax liability, not
49 including improvements, of a homestead from one tax year to the next that exceeds a certain
50 percentage set pursuant to subsection 10 of this section. For applications filed in 2005 or 2006,
51 the homestead exemption limit shall be based on the increase to tax liability from 2004 to 2005.
52 For applications filed between April 1, 2005, and September 30, 2006, an eligible owner, who
53 otherwise satisfied the requirements of this section, shall not apply for the homestead exemption
54 credit more than once during such period. For applications filed after 2006, the homestead
55 exemption limit shall be based on the increase to tax liability from two years prior to application

56 to the year immediately prior to application. For applications filed between December 31, 2008,
57 and December 31, 2011, the homestead exemption limit shall be based on the increase in tax
58 liability from the base year to the year prior to the application year. For applications filed on or
59 after January 1, 2012, the homestead exemption limit shall be based on the increase to tax
60 liability from two years prior to application to the year immediately prior to application. For
61 purposes of this subdivision, the term "base year" means the year prior to the first year in which
62 the eligible owner's application was approved, or 2006, whichever is later;
63 (7) "Income", federal adjusted gross income, and in the case of ownership of the
64 homestead by trust, the income of the settlor applicant shall be imputed to the income of the trust
65 for purposes of determining eligibility with regards to the maximum upper limit;
66 (8) "Maximum upper limit", in the calendar year 2005, the income sum of seventy
67 thousand dollars; in each successive calendar year this amount shall be raised by the incremental
68 increase in the general price level, as defined pursuant to article X, section 17 of the Missouri
69 Constitution.
70 3. Pursuant to article X, section 6(a) of the Constitution of Missouri, if in the prior tax
71 year, the property tax liability on any parcel of subclass (1) real property increased by more than
72 the homestead exemption limit, without regard for any prior credit received due to the provisions
73 of this section, then any eligible owner of the property shall receive a homestead exemption
74 credit to be applied in the current tax year property tax liability to offset the prior year increase
75 to tax liability that exceeds the homestead exemption limit, except as eligibility for the credit is
76 limited by the provisions of this section. The amount of the credit shall be listed separately on
77 each taxpayer's tax bill for the current tax year, or on a document enclosed with the taxpayer's
78 bill. The homestead exemption credit shall not affect the process of setting the tax rate as
79 required pursuant to article X, section 22 of the Constitution of Missouri and section 137.073 in
80 any prior, current, or subsequent tax year.
81 4. If application is made in 2005, any potential eligible owner may apply for the
82 homestead exemption credit by completing an application through their local assessor's office.
83 Applications may be completed between April first and September thirtieth of any tax year in
84 order for the taxpayer to be eligible for the homestead exemption credit in the tax year next
85 following the calendar year in which the homestead exemption credit application was completed.
86 The application shall be on forms provided to the assessor's office by the department. Forms also
87 shall be made available on the department's Internet site and at all permanent branch offices and
88 all full-time, temporary, or fee offices maintained by the department of revenue.
89 The applicant shall attest under penalty of perjury:
90 (1) To the applicant's age;
91 (2) That the applicant's prior year income was less than the maximum upper limit;

92 (3) To the address of the homestead property; and
93 (4) That any improvements made to the homestead, not made to accommodate a disabled
94 person, did not total more than five percent of the prior year appraised value. The applicant shall
95 also include with the application copies of receipts indicating payment of property tax by the
96 applicant for the homestead property for the two prior tax years.
97 5. If application is made in 2005, the assessor, upon request for an application, shall:
98 (1) Certify the parcel number and owner of record as of January first of the homestead,
99 including verification of the acreage classified as residential on the assessor's property record
100 card;
101 (2) Obtain appropriate prior tax year levy codes for each homestead from the county
102 clerks for inclusion on the form;
103 (3) Record on the application the assessed valuation of the homestead for the current tax
104 year, and any new construction or improvements for the current tax year; and
105 (4) Sign the application, certifying the accuracy of the assessor's entries.
106 6. If application is made after 2005, any potential eligible owner may apply for the
107 homestead exemption credit by completing an application. Applications may be completed
108 between April first and October fifteenth of any tax year in order for the taxpayer to be eligible
109 for the homestead exemption credit in the tax year next following the calendar year in which the
110 homestead exemption credit application was completed. The application shall be on forms
111 provided by the department. Forms also shall be made available on the department's Internet site
112 and at all permanent branch offices and all full-time, temporary, or fee offices maintained by the
113 department of revenue. The applicant shall attest under penalty of perjury:
114 (1) To the applicant's age;
115 (2) That the applicant's prior year income was less than the maximum upper limit;
116 (3) To the address of the homestead property;
117 (4) That any improvements made to the homestead, not made to accommodate a disabled
118 person, did not total more than five percent of the prior year appraised value**[**; and
119 (5)**] .**
120
121 The applicant shall also include with the application copies of receipts indicating payment of
122 property tax by the applicant for the homestead property for the three prior tax years.
123 7. Each applicant shall send the application to the department by October fifteenth of
124 each year for the taxpayer to be eligible for the homestead exemption credit in the tax year next
125 following the calendar year in which the application was completed.
126 8. If application is made in 2005, upon receipt of the applications, the department shall
127 calculate the tax liability, adjusted to exclude new construction or improvements**,** verify

128 compliance with the maximum income limit, verify the age of the applicants, and make
129 adjustments to these numbers as necessary on the applications. The department also shall
130 disallow any application where the applicant has also filed a valid application for the senior
131 citizens property tax credit, pursuant to sections 135.010 to 135.035. Once adjusted tax liability,
132 age, and income are verified, the director shall determine eligibility for the credit, and provide
133 a list of all verified eligible owners to the county collectors or county clerks in counties with a
134 township form of government by December fifteenth of each year. By January fifteenth, the
135 county collectors or county clerks in counties with a township form of government shall provide
136 a list to the department of any verified eligible owners who failed to pay the property tax due for
137 the tax year that ended immediately prior. Such eligible owners shall be disqualified from
138 receiving the credit in the current tax year.

139 9. If application is made after 2005, upon receipt of the applications, the department shall
140 calculate the tax liability, verify compliance with the maximum income limit, verify the age of
141 the applicants, and make adjustments to these numbers as necessary on the applications. The
142 department also shall disallow any application where the applicant also has filed a valid
143 application for the senior citizens property tax credit under sections 135.010 to 135.035. Once
144 adjusted tax liability, age, and income are verified, the director shall determine eligibility for the
145 credit and provide a list of all verified eligible owners to the county assessors or county clerks
146 in counties with a township form of government by December fifteenth of each year. By January
147 fifteenth, the county assessors shall provide a list to the department of any verified eligible
148 owners who made improvements not for accommodation of a disability to the homestead and the
149 dollar amount of the assessed value of such improvements. If the dollar amount of the assessed
150 value of such improvements totaled more than five percent of the prior year appraised value,
151 such eligible owners shall be disqualified from receiving the credit in the current tax year.

152 10. The director shall calculate the level of appropriation necessary to set the homestead
153 exemption limit at five percent when based on a year of general reassessment or at two and
154 one-half percent when based on a year without general reassessment for the homesteads of all
155 verified eligible owners, and provide such calculation to the speaker of the house of
156 representatives, the president pro tempore of the senate, and the director of the office of budget
157 and planning in the office of administration by January thirty-first of each year.

158 11. For applications made in 2005, the general assembly shall make an appropriation for
159 the funding of the homestead exemption credit that is signed by the governor, then the director
160 shall, by July thirty-first of such year, set the homestead exemption limit. The limit shall be a
161 single, statewide percentage increase to tax liability, rounded to the nearest hundredth of a
162 percent, which, if applied to all homesteads of verified eligible owners who applied for the
163 homestead exemption credit in the immediately prior tax year, would cause all but one-quarter

164 of one percent of the amount of the appropriation, minus any withholding by the governor, to be
165 distributed during that fiscal year. The remaining one-quarter of one percent shall be distributed
166 to the county assessment funds of each county on a proportional basis, based on the number of
167 eligible owners in each county; such one-quarter percent distribution shall be delineated in any
168 such appropriation as a separate line item in the total appropriation. If no appropriation is made
169 by the general assembly during any tax year or no funds are actually distributed pursuant to any
170 appropriation therefor, then no homestead preservation credit shall apply in such year.

171 12. After setting the homestead exemption limit for applications made in 2005, the
172 director shall apply the limit to the homestead of each verified eligible owner and calculate the
173 credit to be associated with each verified eligible owner's homestead, if any. The director shall
174 send a list of those eligible owners who are to receive the homestead exemption credit, including
175 the amount of each credit, the certified parcel number of the homestead, and the address of the
176 homestead property, to the county collectors or county clerks in counties with a township form
177 of government by August thirty-first. Pursuant to such calculation, the director shall instruct the
178 state treasurer as to how to distribute the appropriation and assessment fund allocation to the
179 county collector's funds of each county or the treasurer ex officio collector's fund in counties with
180 a township form of government where recipients of the homestead exemption credit are located,
181 so as to exactly offset each homestead exemption credit being issued, plus the one-quarter of one
182 percent distribution for the county assessment funds. As a result of the appropriation, in no case
183 shall a political subdivision receive more money than it would have received absent the
184 provisions of this section plus the one-quarter of one percent distribution for the county
185 assessment funds. Funds, at the direction of the county collector or the treasurer ex officio
186 collector in counties with a township form of government, shall be deposited in the county
187 collector's fund of a county or the treasurer ex officio collector's fund or may be sent by mail to
188 the collector of a county, or the treasurer ex officio collector in counties with a township form
189 of government, not later than October first in any year a homestead exemption credit is
190 appropriated as a result of this section and shall be distributed as moneys in such funds are
191 commonly distributed from other property tax revenues by the collector of the county or the
192 treasurer ex officio collector of the county in counties with a township form of government, so
193 as to exactly offset each homestead exemption credit being issued. In counties with a township
194 form of government, the county clerk shall provide the treasurer ex officio collector a summary
195 of the homestead exemption credit for each township for the purpose of distributing the total
196 homestead exemption credit to each township collector in a particular county.

197 13. If, in any given year after 2005, the general assembly shall make an appropriation for
198 the funding of the homestead exemption credit that is signed by the governor, then the director
199 shall determine the apportionment percentage by equally apportioning the appropriation among

200 all eligible applicants on a percentage basis. If no appropriation is made by the general assembly
201 during any tax year or no funds are actually distributed pursuant to any appropriation therefor,
202 then no homestead preservation credit shall apply in such year.

203 14. After determining the apportionment percentage, the director shall calculate the
204 credit to be associated with each verified eligible owner's homestead, if any. The director shall
205 send a list of those eligible owners who are to receive the homestead exemption credit, including
206 the amount of each credit, the certified parcel number of the homestead, and the address of the
207 homestead property, to the county collectors or county clerks in counties with a township form
208 of government by August thirty-first. Pursuant to such calculation, the director shall instruct the
209 state treasurer as to how to distribute the appropriation to the county collector's fund of each
210 county where recipients of the homestead exemption credit are located, so as to exactly offset
211 each homestead exemption credit being issued. As a result of the appropriation, in no case shall
212 a political subdivision receive more money than it would have received absent the provisions of
213 this section. Funds, at the direction of the collector of the county or treasurer ex officio collector
214 in counties with a township form of government, shall be deposited in the county collector's fund
215 of a county or may be sent by mail to the collector of a county, or treasurer ex officio collector
216 in counties with a township form of government, not later than October first in any year a
217 homestead exemption credit is appropriated as a result of this section and shall be distributed as
218 moneys in such funds are commonly distributed from other property tax revenues by the collector
219 of the county or the treasurer ex officio collector of the county in counties with a township form
220 of government, so as to exactly offset each homestead exemption credit being issued.

221 15. The department shall promulgate rules for implementation of this section. Any rule
222 or portion of a rule, as that term is defined in section 536.010, that is created under the authority
223 delegated in this section shall become effective only if it complies with and is subject to all of
224 the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536
225 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter
226 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held
227 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
228 August 28, 2004, shall be invalid and void. Any rule promulgated by the department shall in no
229 way impact, affect, interrupt, or interfere with the performance of the required statutory duties
230 of any county elected official, more particularly including the county collector when performing
231 such duties as deemed necessary for the distribution of any homestead appropriation and the
232 distribution of all other real and personal property taxes.

233 16. In the event that an eligible owner dies or transfers ownership of the property after
234 the homestead exemption limit has been set in any given year, but prior to January first of the
235 year in which the credit would otherwise be applied, the credit shall be void and any

236 corresponding moneys, pursuant to subsection 12 of this section, shall lapse to the state to be
237 credited to the general revenue fund. In the event the collector of the county or the treasurer ex
238 officio collector of the county in counties with a township form of government determines prior
239 to issuing the credit that the individual is not an eligible owner because the individual did not pay
240 the prior three years' property tax liability in full, the credit shall be void and any corresponding
241 moneys, under subsection 11 of this section, shall lapse to the state to be credited to the general
242 revenue fund.

243 17. This section shall apply to all tax years beginning on or after January 1, 2005. This
244 subsection shall become effective June 28, 2004.

245 18. **[**In accordance with the provisions of sections 23.250 to 23.298 and unless otherwise
246 authorized pursuant to section 23.253:

247 (1) Any new program authorized under the provisions of this section shall automatically
248 sunset six years after the effective date of this section; and

249 (2) This section shall terminate on September first of the year following the year in
250 which any new program authorized under this section is sunset, and the revisor of statutes shall
251 designate such sections and this section in a revision bill for repeal**] Notwithstanding any other**
252 **provision of law to the contrary, no tax credits shall be issued under this section after**
253 **December 31, 2012, and any tax credit issued before January 1, 2013, shall be redeemed**
254 **before January 1, 2015**.

137.1018. 1. The commission shall ascertain the statewide average rate of property taxes
2 levied the preceding year, based upon the total assessed valuation of the railroad and street
3 railway companies and the total property taxes levied upon the railroad and street railway
4 companies. It shall determine total property taxes levied from reports prescribed by the
5 commission from the railroad and street railway companies. Total taxes levied shall not include
6 revenues from the surtax on subclass three real property.

7 2. The commission shall report its determination of average property tax rate for the
8 preceding year, together with the taxable distributable assessed valuation of each freight line
9 company for the current year to the director no later than October first of each year.

10 3. Taxes on property of such freight line companies shall be collected at the state level
11 by the director on behalf of the counties and other local public taxing entities and shall be
12 distributed in accordance with sections 137.1021 and 137.1024. The director shall tax such
13 property based upon the distributable assessed valuation attributable to Missouri of each freight
14 line company, using the average tax rate for the preceding year of the railroad and street railway
15 companies certified by the commission. Such tax shall be due and payable on or before
16 December thirty-first of the year levied and, if it becomes delinquent, shall be subject to a penalty
17 equal to that specified in section 140.100.

4. (1) As used in this subsection, the following terms mean:

(a) "Eligible expenses", expenses incurred in this state to manufacture, maintain, or improve a freight line company's qualified rolling stock;

(b) "Qualified rolling stock", any freight, stock, refrigerator, or other railcars subject to the tax levied under this section.

(2) For all taxable years beginning on or after January 1, 2009, a freight line company shall, subject to appropriation, be allowed a credit against the tax levied under this section for the applicable tax year. The tax credit amount shall be equal to the amount of eligible expenses incurred during the calendar year immediately preceding the tax year for which the credit under this section is claimed. The amount of the tax credit issued shall not exceed the freight line company's liability for the tax levied under this section for the tax year for which the credit is claimed.

(3) A freight line company may apply for the credit by submitting to the commission an application in the form prescribed by the state tax commission.

(4) Subject to appropriation, the state shall reimburse, on an annual basis, any political subdivision of this state for any decrease in revenue due to the provisions of this subsection.

5. **[**Pursuant to section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset six years after August 28, 2008, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset**] Notwithstanding any other provision of law to the contrary, no tax credits shall be issued under this section after December 31, 2012, and any tax credit issued before January 1, 2013, shall be redeemed before January 1, 2015**.

143.011. **1.** A tax is hereby imposed for every taxable year on the Missouri taxable income of every resident.

2. For all taxable years ending on or before December 31, 2012, the tax shall be determined by applying the tax table or the rate provided in section 143.021, which is based upon the following rates:

If the Missouri taxable income is: The tax is:

Not over $1,000.00 ..... 1 1/2% of the Missouri taxable income

Over $1,000 but not over $2,000 ..... $15 plus 2% of excess over $1,000

10 Over $2,000 but not over $3,000 ..... $35 plus 2 1/2% of excess over $2,000
11 Over $3,000 but not over $4,000 ..... $60 plus 3% of excess over $3,000
12 Over $4,000 but not over $5,000 ..... $90 plus 3 1/2% of excess over $4,000
13 Over $5,000 but not over $6,000 ..... $125 plus 4% of excess over $5,000
14 Over $6,000 but not over $7,000 ..... $165 plus 4 1/2% of excess over $6,000
15 Over $7,000 but not over $8,000 ..... $210 plus 5% of excess over $7,000
16 Over $8,000 but not over $9,000 ..... $260 plus 5 1/2% of excess over $8,000
17 Over $9,000 ..... $315 plus 6% of excess over $9,000
18 **3. For the taxable year beginning on January 1, 2013, the tax imposed under this**
19 **section shall be equal to four and two-fifths percent of the taxpayer's Missouri taxable**
20 **income. For the taxable year beginning on January 1, 2014, the tax imposed under this**
21 **section shall be equal to four percent of the taxpayer's Missouri taxable income. For all**
22 **taxable years beginning on or after January 1, 2015, the tax imposed under this section**
23 **shall be equal to three and four-fifths percent of the taxpayer's Missouri taxable income.**

143.021. **1.** Every resident having a taxable income of less than nine thousand dollars
2 shall determine his tax from a tax table prescribed by the director of revenue and based upon the
3 rates provided in section 143.011. The tax table shall be on the basis of one hundred dollar
4 increments of taxable income below nine thousand dollars. The tax provided in the table shall
5 be the amount rounded to the nearest whole dollar by applying the rates in section 143.011 to the
6 taxable income at the midpoint of each increment, except there shall be no tax on a taxable
7 income of less than one hundred dollars. Every resident having a taxable income of nine
8 thousand dollars or more shall determine his tax from the rate provided in section 143.011.
9 **2. This section shall apply to all taxable years ending on or before December 31,**
10 **2012.**

143.031. 1. A husband and wife who file a joint federal income tax return shall file a
2 combined return. A husband and wife who do not file a joint federal income tax return shall not
3 file a combined return.
4 2. The Missouri combined taxable income on a combined return shall include all of the
5 income and deductions of the husband and wife. The Missouri taxable income of each spouse
6 shall be an amount that is the same proportion of their Missouri combined taxable income as the
7 Missouri adjusted gross income of that spouse bears to their Missouri combined adjusted gross
8 income.
9 3. The tax of each spouse shall be determined by the application of either section
10 **[**143.021**]** **143.011** or section 143.041 depending upon whether such spouse is a resident or
11 nonresident. Their Missouri combined tax shall be the sum of the tax applicable to each spouse.

143.071. 1. For all tax years beginning before September 1, 1993, a tax is hereby imposed upon the Missouri taxable income of corporations in an amount equal to five percent of Missouri taxable income.

2. For all tax years beginning on or after September 1, 1993, **but ending on or before December 31, 2014,** a tax is hereby imposed upon the Missouri taxable income of corporations in **[**an amount equal to.**]** **the following amounts:**

(1) For the tax years ending on or before December 31, 2012, six and one-fourth percent of Missouri taxable income**;**

(2) For the tax year beginning on January 1, 2013, five percent of Missouri taxable income;

(3) For the tax year beginning on January 1, 2014, four percent of Missouri taxable income.

3. For all taxable years beginning on or after January 1, 2015, a tax is hereby imposed upon the Missouri taxable income of corporations in an amount equal to three and one-half percent of Missouri taxable income.

143.111. **1. For all taxable years ending on or before December 31, 2012,** the Missouri taxable income of a resident shall be such resident's Missouri adjusted gross income less:

(1) Either the Missouri standard deduction or the Missouri itemized deduction;

(2) The Missouri deduction for personal exemptions;

(3) The Missouri deduction for dependency exemptions;

(4) The deduction for federal income taxes provided in section 143.171; and

(5) The deduction for a self-employed individual's health insurance costs provided in section 143.113.

2. (1) For all taxable years beginning on or after January 1, 2013, the Missouri taxable income of a resident shall be such resident's Missouri adjusted gross income as determined under section 143.121 less the amount of any exclusion of income from taxable income provided in this subsection.

(2) A taxpayer may exclude a portion of the taxpayer's taxable income from the tax imposed in this chapter in the following amounts:

(a) If the taxpayer's filing status is single, head of household, or qualifying widow or widower, the taxpayer may exclude five thousand dollars of Missouri taxable income;

(b) If the taxpayer's filing status is married filing combined or separately, the taxpayer may exclude five thousand dollars of Missouri taxable income;

(c) For each dependent for whom such taxpayer is entitled to a dependency exemption deduction for federal income tax purposes, the taxpayer may exclude an

22 **additional five thousand dollars of Missouri taxable income for each dependent after the**
23 **exclusions provided in paragraphs (a) and (b) of this subdivision.**
24 **(3) The amount of the deduction provided in subdivision (2) of this subsection shall**
25 **be increased annually by the same percentage as the increase over the previous year in the**
26 **Consumer Price Index for All Urban Consumers (CPI-U) as prepared by the United States**
27 **Bureau of Labor Statistics, or its successor index.**

143.113. 1. For all taxable years beginning on or after January 1, 2000, **but ending on**
2 **or before December 31, 2012,** an individual taxpayer who is an employee within the meaning
3 of Section 401(c)(1) of the Internal Revenue Code of 1986, as amended, shall be allowed to
4 subtract from the taxpayer's Missouri adjusted gross income to determine Missouri taxable
5 income an amount equal to the amount which the taxpayer has paid during the taxable year for
6 insurance which constitutes medical care for the taxpayer, the taxpayer's spouse, and dependents
7 to the extent that such amounts qualify as deductible pursuant to Section 162(l) of the Internal
8 Revenue Code of 1986, as amended, for the same taxable year, and shall only be deductible to
9 the extent that such amounts are not deducted on the taxpayer's federal income tax return for that
10 taxable year.
11 2. The director of the department of revenue shall promulgate rules and regulations to
12 administer the provisions of this section. No rule or portion of a rule promulgated pursuant to
13 the authority of this section shall become effective unless it has been promulgated pursuant to
14 the provisions of chapter 536.
15 **3. This section shall apply to all taxable years ending on or before December 31,**
16 **2012, and any tax credit issued before January 1, 2013, shall be redeemed before January**
17 **1, 2015.**

143.118. 1. For all taxable years beginning on or after January 1, 2007, **but ending on**
2 **or before December 31, 2012,** an individual taxpayer shall be allowed to subtract from the
3 taxpayer's Missouri adjusted gross income to determine Missouri taxable income an amount
4 equal to the amount which the taxpayer has paid during the taxable year as a member of a health
5 care sharing ministry as defined in section 376.1750 and shall only be deductible to the extent
6 that such amounts are not deducted on the taxpayer's federal income tax return for that taxable
7 year.
8 2. The director of the department of revenue shall promulgate rules and regulations to
9 administer the provisions of this section. Any rule or portion of a rule, as that term is defined
10 in section 536.010, that is created under the authority delegated in this section shall become
11 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if
12 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the
13 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective

14 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of
15 rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid
16 and void.

17 **3. This section shall apply to all taxable years ending on or before December 31,**
18 **2012.**

143.119. 1. A self-employed taxpayer, as such term is used in the federal internal
2 revenue code, who is otherwise ineligible for the federal income tax health insurance deduction
3 under Section 162 of the federal internal revenue code shall be entitled to a credit against the tax
4 otherwise due under this chapter, excluding withholding tax imposed by sections 143.191 to
5 143.265, in an amount equal to the portion of such taxpayer's federal tax liability incurred due
6 to such taxpayer's inclusion of such payments in federal adjusted gross income. The tax credits
7 authorized under this section shall be nontransferable. To the extent tax credit issued under this
8 section exceeds a taxpayer's state income tax liability, such excess shall be considered an
9 overpayment of tax and shall be refunded to the taxpayer.

10 2. The director of the department of revenue shall promulgate rules and regulations to
11 administer the provisions of this section. Any rule or portion of a rule, as that term is defined
12 in section 536.010, that is created under the authority delegated in this section shall become
13 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if
14 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the
15 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective
16 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of
17 rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid
18 and void.

19 **3. Notwithstanding any other provision of law to the contrary, no tax credits shall**
20 **be issued under this section after December 31, 2012.**

143.121. 1. The Missouri adjusted gross income of a resident individual shall be the
2 taxpayer's federal adjusted gross income subject to the modifications in this section.

3 2. **For all taxable years ending on or before December 31, 2012,** there shall be added
4 to the taxpayer's federal adjusted gross income:

5 (1) The amount of any federal income tax refund received for a prior year which resulted
6 in a Missouri income tax benefit;

7 (2) Interest on certain governmental obligations excluded from federal gross income by
8 Section 103 of the Internal Revenue Code. The previous sentence shall not apply to interest on
9 obligations of the state of Missouri or any of its political subdivisions or authorities and shall not
10 apply to the interest described in subdivision (1) of subsection 3 of this section. The amount
11 added pursuant to this subdivision shall be reduced by the amounts applicable to such interest

12 that would have been deductible in computing the taxable income of the taxpayer except only
13 for the application of Section 265 of the Internal Revenue Code. The reduction shall only be
14 made if it is at least five hundred dollars;
15 (3) The amount of any deduction that is included in the computation of federal taxable
16 income pursuant to Section 168 of the Internal Revenue Code as amended by the Job Creation
17 and Worker Assistance Act of 2002 to the extent the amount deducted relates to property
18 purchased on or after July 1, 2002, but before July 1, 2003, and to the extent the amount
19 deducted exceeds the amount that would have been deductible pursuant to Section 168 of the
20 Internal Revenue Code of 1986 as in effect on January 1, 2002;
21 (4) The amount of any deduction that is included in the computation of federal taxable
22 income for net operating loss allowed by Section 172 of the Internal Revenue Code of 1986, as
23 amended, other than the deduction allowed by Section 172(b)(1)(G) and Section 172(i) of the
24 Internal Revenue Code of 1986, as amended, for a net operating loss the taxpayer claims in the
25 tax year in which the net operating loss occurred or carries forward for a period of more than
26 twenty years and carries backward for more than two years. Any amount of net operating loss
27 taken against federal taxable income but disallowed for Missouri income tax purposes pursuant
28 to this subdivision after June 18, 2002, may be carried forward and taken against any income on
29 the Missouri income tax return for a period of not more than twenty years from the year of the
30 initial loss; and
31 (5) For nonresident individuals in all taxable years ending on or after December 31,
32 2006, the amount of any property taxes paid to another state or a political subdivision of another
33 state for which a deduction was allowed on such nonresident's federal return in the taxable year
34 unless such state, political subdivision of a state, or the District of Columbia allows a subtraction
35 from income for property taxes paid to this state for purposes of calculating income for the
36 income tax for such state, political subdivision of a state, or the District of Columbia.
37 3. **For all taxable years ending on or before December 31, 2012,** there shall be
38 subtracted from the taxpayer's federal adjusted gross income the following amounts to the extent
39 included in federal adjusted gross income:
40 (1) Interest or dividends on obligations of the United States and its territories and
41 possessions or of any authority, commission or instrumentality of the United States to the extent
42 exempt from Missouri income taxes pursuant to the laws of the United States. The amount
43 subtracted pursuant to this subdivision shall be reduced by any interest on indebtedness incurred
44 to carry the described obligations or securities and by any expenses incurred in the production
45 of interest or dividend income described in this subdivision. The reduction in the previous
46 sentence shall only apply to the extent that such expenses including amortizable bond premiums
47 are deducted in determining the taxpayer's federal adjusted gross income or included in the

48 taxpayer's Missouri itemized deduction. The reduction shall only be made if the expenses total
49 at least five hundred dollars;
50 (2) The portion of any gain, from the sale or other disposition of property having a higher
51 adjusted basis to the taxpayer for Missouri income tax purposes than for federal income tax
52 purposes on December 31, 1972, that does not exceed such difference in basis. If a gain is
53 considered a long-term capital gain for federal income tax purposes, the modification shall be
54 limited to one-half of such portion of the gain;
55 (3) The amount necessary to prevent the taxation pursuant to this chapter of any annuity
56 or other amount of income or gain which was properly included in income or gain and was taxed
57 pursuant to the laws of Missouri for a taxable year prior to January 1, 1973, to the taxpayer, or
58 to a decedent by reason of whose death the taxpayer acquired the right to receive the income or
59 gain, or to a trust or estate from which the taxpayer received the income or gain;
60 (4) Accumulation distributions received by a taxpayer as a beneficiary of a trust to the
61 extent that the same are included in federal adjusted gross income;
62 (5) The amount of any state income tax refund for a prior year which was included in the
63 federal adjusted gross income;
64 (6) The portion of capital gain specified in section 135.357 that would otherwise be
65 included in federal adjusted gross income;
66 (7) The amount that would have been deducted in the computation of federal taxable
67 income pursuant to Section 168 of the Internal Revenue Code as in effect on January 1, 2002,
68 to the extent that amount relates to property purchased on or after July 1, 2002, but before July
69 1, 2003, and to the extent that amount exceeds the amount actually deducted pursuant to Section
70 168 of the Internal Revenue Code as amended by the Job Creation and Worker Assistance Act
71 of 2002;
72 (8) For all tax years beginning on or after January 1, 2005, the amount of any income
73 received for military service while the taxpayer serves in a combat zone which is included in
74 federal adjusted gross income and not otherwise excluded therefrom. As used in this section,
75 "combat zone" means any area which the President of the United States by Executive Order
76 designates as an area in which armed forces of the United States are or have engaged in combat.
77 Service is performed in a combat zone only if performed on or after the date designated by the
78 President by Executive Order as the date of the commencing of combat activities in such zone,
79 and on or before the date designated by the President by Executive Order as the date of the
80 termination of combatant activities in such zone; and
81 (9) For all tax years ending on or after July 1, 2002, with respect to qualified property
82 that is sold or otherwise disposed of during a taxable year by a taxpayer and for which an
83 addition modification was made under subdivision (3) of subsection 2 of this section, the amount

84 by which addition modification made under subdivision (3) of subsection 2 of this section on
85 qualified property has not been recovered through the additional subtractions provided in
86 subdivision (7) of this subsection.

87 4. **For all taxable years ending on or before December 31, 2012,** there shall be added
88 to or subtracted from the taxpayer's federal adjusted gross income the taxpayer's share of the
89 Missouri fiduciary adjustment provided in section 143.351.

90 5. **For all taxable years ending on or before December 31, 2012,** there shall be added
91 to or subtracted from the taxpayer's federal adjusted gross income the modifications provided in
92 section 143.411.

93 6. In addition to the modifications to a taxpayer's federal adjusted gross income in this
94 section, to calculate Missouri adjusted gross income there shall be subtracted from the taxpayer's
95 federal adjusted gross income any gain recognized pursuant to Section 1033 of the Internal
96 Revenue Code of 1986, as amended, arising from compulsory or involuntary conversion of
97 property as a result of condemnation or the imminence thereof.

98 7. (1) As used in this subsection, "qualified health insurance premium" means the
99 amount paid during the tax year by such taxpayer for any insurance policy primarily providing
100 health care coverage for the taxpayer, the taxpayer's spouse, or the taxpayer's dependents.

101 (2) **For all taxable years ending on or before December 31, 2012,** in addition to the
102 subtractions in subsection 3 of this section, one hundred percent of the amount of qualified health
103 insurance premiums shall be subtracted from the taxpayer's federal adjusted gross income to the
104 extent the amount paid for such premiums is included in federal taxable income. The taxpayer
105 shall provide the department of revenue with proof of the amount of qualified health insurance
106 premiums paid.

107 8. (1) **For all taxable years** beginning **on or after** January 1, 2009, **but ending on or**
108 **before December 31, 2012,** in addition to the subtractions provided in this section, one hundred
109 percent of the cost incurred by a taxpayer for a home energy audit conducted by an entity
110 certified by the department of natural resources under section 640.153 or the implementation of
111 any energy efficiency recommendations made in such an audit shall be subtracted from the
112 taxpayer's federal adjusted gross income to the extent the amount paid for any such activity is
113 included in federal taxable income. The taxpayer shall provide the department of revenue with
114 a summary of any recommendations made in a qualified home energy audit, the name and
115 certification number of the qualified home energy auditor who conducted the audit, and proof
116 of the amount paid for any activities under this subsection for which a deduction is claimed. The
117 taxpayer shall also provide a copy of the summary of any recommendations made in a qualified
118 home energy audit to the department of natural resources.

119 (2) At no time shall a deduction claimed under this subsection by an individual taxpayer
120 or taxpayers filing combined returns exceed one thousand dollars per year or cumulatively
121 exceed two thousand dollars per taxpayer or taxpayers filing combined returns.
122 (3) Any deduction claimed under this subsection shall be claimed for the tax year in
123 which the qualified home energy audit was conducted or in which the implementation of the
124 energy efficiency recommendations occurred. If implementation of the energy efficiency
125 recommendations occurred during more than one year, the deduction may be claimed in more
126 than one year, subject to the limitations provided under subdivision (2) of this subsection.
127 (4) A deduction shall not be claimed for any otherwise eligible activity under this
128 subsection if such activity qualified for and received any rebate or other incentive through a
129 state-sponsored energy program or through an electric corporation, gas corporation, electric
130 cooperative, or municipally owned utility.
131 9. **[**The provisions of subsection 8 of this section shall expire on December 31, 2013.**]**
132 **For all taxable years beginning on or after January 1, 2013, the taxpayer's Missouri**
133 **adjusted gross income shall be the taxpayer's total income as reported on the taxpayer's**
134 **federal income tax return with the following modifications:**
135 **(1) The following amounts deducted from the taxpayer's federal total income to**
136 **determine the taxpayer's federal adjusted gross income shall be added back to the**
137 **taxpayer's federal total income:**
138 **(a) Any amount deducted for qualified expenses for eligible educators;**
139 **(b) Any amount deducted for certain business expenses of reservists, performing**
140 **artists, and fee-based government officials;**
141 **(c) Any amount deducted as moving expenses;**
142 **(d) Any amount deducted for the self-employment tax;**
143 **(e) Any amount deducted for self-employed SEP, SIMPLE, and qualified plans;**
144 **(f) Any amount deducted for the amounts paid for health insurance;**
145 **(g) Any amount deducted for any penalty on early withdrawal of savings;**
146 **(h) Any amount deducted for alimony paid;**
147 **(i) Any amount deducted for IRA deductions;**
148 **(j) Any amount deducted for student loan interest;**
149 **(k) Any amount deducted for tuition and fees;**
150 **(l) Any amount deducted for domestic production activities;**
151 **(m) The amount of any interest on certain governmental obligations as described**
152 **in subdivision (2) of subsection 2 of this section;**
153 **(n) The amount of any deduction for net operating loss as described in subdivision**
154 **(4) of subsection 2 of this section;**

155 **(o) The amount of any property taxes paid as described in subdivision (5) of**
156 **subsection 2 of this section;**
157 **(p) The amount of any nonqualified distribution from a qualified tuition savings**
158 **program as provided in subsection 2 of section 166.435;**
159 **(2) The following amounts shall be subtracted from the taxpayer's federal total**
160 **income to the extent included in the taxpayer's federal total income:**
161 **(a) The amount of any capital gains on the sale or exchange of the taxpayer's**
162 **principal residence if such sale or exchange satisfies federal ownership and use**
163 **requirements for such transaction;**
164 **(b) The value of any property owned by the taxpayer's employer that was used by**
165 **the taxpayer for personal use;**
166 **(c) The amount received by the taxpayer from any annuity, pension, or retirement**
167 **allowance as defined in subsection 1 of section 143.124;**
168 **(d) The amount of any Social Security benefits;**
169 **(e) The amount of any unemployment compensation;**
170 **(f) The amount of any workers' compensation;**
171 **(g) The amount of any form of public assistance received by the taxpayer;**
172 **(h) The amount of any sick pay;**
173 **(i) The amount of any inheritance or gift;**
174 **(j) The amount of any alimony received by the taxpayer;**
175 **(k) The amount of any ordinary and necessary job expenses paid for by the**
176 **taxpayer and for which the taxpayer was not reimbursed by the taxpayer's employer;**
177 **(l) The amount of any contributions to a medical savings or health savings account;**
178 **(m) The amount of any contributions to any account established under 26 U.S.C.**
179 **Section 529, as amended;**
180 **(n) The amount of any refund, credit, or offset of state or local income taxes;**
181 **(o) The amount of any interest on obligations of the state of Missouri or any of its**
182 **political subdivisions or authorities;**
183 **(p) Twenty-five percent of any amount over two hundred fifty dollars expended by**
184 **the taxpayer for clothing for school or school supplies for any home, parochial, private, or**
185 **public school, if receipts or invoices for such amounts expended are provided to the**
186 **department of revenue by the taxpayer. As used in this paragraph, the following terms**
187 **mean:**
188 **a. "Clothing for school", any article of wearing apparel, including footwear,**
189 **intended to be worn on or about the human body in a standard classroom or home school**
190 **setting. The term shall include but not be limited to cloth and other material used to make**

school uniforms or other school clothing. Items normally sold in pairs shall not be separated to qualify under this definition. The term shall not include watches, watchbands, jewelry, handbags, handkerchiefs, umbrellas, scarves, ties, headbands, or belt buckles;

b. "School supplies", any item normally used by students in a standard classroom or in a home school setting for educational purposes, including but not limited to textbooks, notebooks, paper, writing instruments, crayons, art supplies, rulers, book bags, backpacks, handheld calculators, chalk, maps, and globes. The term shall not include watches, radios, CD players, headphones, sporting equipment, portable or desktop telephones, copiers or other office equipment, furniture, or fixtures. School supplies shall also include computer software having a taxable value of three hundred fifty dollars or less.

143.123. **For all taxable years ending on or before December 31, 2012,** any six thousand dollar subtraction provided by law for annuities, pensions, and retirement allowances in total per taxpayer, as hereafter provided by subsequent law, shall be implemented in a maximum amount of six thousand dollars per year, or three thousand dollars for a six-month period.

143.124. 1. Other provisions of law to the contrary notwithstanding, for tax years ending on or before December 31, 2006, the total amount of all annuities, pensions, or retirement allowances above the amount of six thousand dollars annually provided by any law of this state, the United States, or any other state to any person except as provided in subsection 4 of this section, shall be subject to tax pursuant to the provisions of this chapter, in the same manner, to the same extent and under the same conditions as any other taxable income received by the person receiving it. For purposes of this section, "annuity, pension, retirement benefit, or retirement allowance" shall be defined as an annuity, pension or retirement allowance provided by the United States, this state, any other state or any political subdivision or agency or institution of this or any other state. For all tax years beginning on or after January 1, 1998, for purposes of this section, annuity, pension or retirement allowance shall be defined to include 401(k) plans, deferred compensation plans, self-employed retirement plans, also known as Keogh plans, annuities from a defined pension plan and individual retirement arrangements, also known as IRAs, as described in the Internal Revenue Code, but not including Roth IRAs, as well as an annuity, pension or retirement allowance provided by the United States, this state, any other state or any political subdivision or agency or institution of this or any other state. An individual taxpayer shall only be allowed a maximum deduction equal to the amounts provided under this section for each taxpayer on the combined return.

19 2. For the period beginning July 1, 1989, and ending December 31, 1989, there shall be
20 subtracted from Missouri adjusted gross income for that period, determined pursuant to section
21 143.121, the first three thousand dollars of retirement benefits received by each taxpayer:
22 (1) If the taxpayer's filing status is single, head of household or qualifying widow(er) and
23 the taxpayer's Missouri adjusted gross income is less than twelve thousand five hundred dollars;
24 or
25 (2) If the taxpayer's filing status is married filing combined and their combined Missouri
26 adjusted gross income is less than sixteen thousand dollars; or
27 (3) If the taxpayer's filing status is married filing separately and the taxpayer's Missouri
28 adjusted gross income is less than eight thousand dollars.
29 3. For the tax years beginning on or after January 1, 1990, but ending on or before
30 December 31, 2006, there shall be subtracted from Missouri adjusted gross income, determined
31 pursuant to section 143.121, a maximum of the first six thousand dollars of retirement benefits
32 received by each taxpayer from sources other than privately funded sources, and for tax years
33 beginning on or after January 1, 1998, there shall be subtracted from Missouri adjusted gross
34 income, determined pursuant to section 143.121, a maximum of the first one thousand dollars
35 of any retirement allowance received from any privately funded source for tax years beginning
36 on or after January 1, 1998, but before January 1, 1999, and a maximum of the first three
37 thousand dollars of any retirement allowance received from any privately funded source for tax
38 years beginning on or after January 1, 1999, but before January 1, 2000, and a maximum of the
39 first four thousand dollars of any retirement allowance received from any privately funded source
40 for tax years beginning on or after January 1, 2000, but before January 1, 2001, and a maximum
41 of the first five thousand dollars of any retirement allowance received from any privately funded
42 source for tax years beginning on or after January 1, 2001, but before January 1, 2002, and a
43 maximum of the first six thousand dollars of any retirement allowance received from any
44 privately funded sources for tax years beginning on or after January 1, 2002. A taxpayer shall
45 be entitled to the maximum exemption provided by this subsection:
46 (1) If the taxpayer's filing status is single, head of household or qualifying widow(er) and
47 the taxpayer's Missouri adjusted gross income is less than twenty-five thousand dollars; or
48 (2) If the taxpayer's filing status is married filing combined and their combined Missouri
49 adjusted gross income is less than thirty-two thousand dollars; or
50 (3) If the taxpayer's filing status is married filing separately and the taxpayer's Missouri
51 adjusted gross income is less than sixteen thousand dollars.
52 4. If a taxpayer's adjusted gross income exceeds the adjusted gross income ceiling for
53 such taxpayer's filing status, as provided in subdivisions (1), (2) and (3) of subsection 3 of this
54 section, such taxpayer shall be entitled to an exemption equal to the greater of zero or the

55 maximum exemption provided in subsection 3 of this section reduced by one dollar for every
56 dollar such taxpayer's income exceeds the ceiling for his or her filing status.
57 5. For purposes of this subsection, the term "maximum Social Security benefit available"
58 shall mean thirty-two thousand five hundred dollars for the tax year beginning on or after January
59 1, 2007, and for each subsequent tax year such amount shall be increased by the percentage
60 increase in the Consumer Price Index for All Urban Consumers, or its successor index, as such
61 index is defined and officially reported by the United States Department of Labor, or its
62 successor agency. For the tax year beginning on or after January 1, 2007, but ending on or before
63 December 31, 2007, there shall be subtracted from Missouri adjusted gross income, determined
64 pursuant to section 143.121, a maximum of an amount equal to the greater of: six thousand
65 dollars in retirement benefits received from sources other than privately funded sources, to the
66 extent such benefits are included in the taxpayer's federal adjusted gross income; or twenty
67 percent of the retirement benefits received from sources other than privately funded sources in
68 the tax year, but not to exceed the maximum Social Security benefit available for such tax year.
69 For the tax year beginning on or after January 1, 2008, but ending on or before December 31,
70 2008, there shall be subtracted from Missouri adjusted gross income, determined pursuant to
71 section 143.121, a maximum of an amount equal to the greater of: six thousand dollars in
72 retirement benefits received from sources other than privately funded sources, to the extent such
73 benefits are included in the taxpayer's federal adjusted gross income; or thirty-five percent of the
74 retirement benefits received from sources other than privately funded sources in the tax year, but
75 not to exceed the maximum Social Security benefit available for such tax year. For the tax year
76 beginning on or after January 1, 2009, but ending on or before December 31, 2009, there shall
77 be subtracted from Missouri adjusted gross income, determined pursuant to section 143.121, a
78 maximum of an amount equal to the greater of: six thousand dollars in retirement benefits
79 received from sources other than privately funded sources, to the extent such benefits are
80 included in the taxpayer's federal adjusted gross income; or fifty percent of the retirement
81 benefits received from sources other than privately funded sources in the tax year, but not to
82 exceed the maximum Social Security benefit available for such tax year. For the tax year
83 beginning on or after January 1, 2010, but ending on or before December 31, 2010, there shall
84 be subtracted from Missouri adjusted gross income, determined pursuant to section 143.121, a
85 maximum of an amount equal to the greater of: six thousand dollars in retirement benefits
86 received from sources other than privately funded sources, to the extent such benefits are
87 included in the taxpayer's federal adjusted gross income; or sixty-five percent of the retirement
88 benefits received from sources other than privately funded sources in the tax year, but not to
89 exceed the maximum Social Security benefit available for such tax year. For the tax year
90 beginning on or after January 1, 2011, but ending on or before December 31, 2011, there shall

91 be subtracted from Missouri adjusted gross income, determined pursuant to section 143.121, a
92 maximum of an amount equal to the greater of: six thousand dollars in retirement benefits
93 received from sources other than privately funded sources, to the extent such benefits are
94 included in the taxpayer's federal adjusted gross income; or eighty percent of the retirement
95 benefits received from sources other than privately funded sources in the tax year, but not to
96 exceed the maximum Social Security benefit available for such tax year. For all tax years
97 beginning on or after January 1, 2012, there shall be subtracted from Missouri adjusted gross
98 income, determined pursuant to section 143.121, a maximum of an amount equal to one hundred
99 percent of the retirement benefits received from sources other than privately funded sources in
100 the tax year, but not to exceed the maximum Social Security benefit available for such tax year.
101 A taxpayer shall be entitled to the maximum exemption provided by this subsection:
102 (1) If the taxpayer's filing status is married filing combined, and their combined Missouri
103 adjusted gross income is equal to or less than one hundred thousand dollars; or
104 (2) If the taxpayer's filing status is single, head of household, qualifying widow(er), or
105 married filing separately, and the taxpayer's Missouri adjusted gross income is equal to or less
106 than eighty-five thousand dollars.
107 6. If a taxpayer's adjusted gross income exceeds the adjusted gross income ceiling for
108 such taxpayer's filing status, as provided in subdivisions (1) and (2) of subsection 5 of this
109 section, such taxpayer shall be entitled to an exemption, less any applicable reduction provided
110 under subsection 7 of this section, equal to the greater of zero or the maximum exemption
111 provided in subsection 5 of this section reduced by one dollar for every dollar such taxpayer's
112 income exceeds the ceiling for his or her filing status.
113 7. For purposes of calculating the subtraction provided in subsection 5 of this section,
114 such subtraction shall be decreased by an amount equal to any Social Security benefit exemption
115 provided under section 143.125.
116 8. For purposes of this section, any Social Security benefits otherwise included in
117 Missouri adjusted gross income shall be subtracted; but Social Security benefits shall not be
118 subtracted for purposes of other computations pursuant to this chapter, and are not to be
119 considered as retirement benefits for purposes of this section.
120 9. The provisions of subdivisions (1) and (2) of subsection 3 of this section shall apply
121 during all tax years in which the federal Internal Revenue Code provides exemption levels for
122 calculation of the taxability of Social Security benefits that are the same as the levels in
123 subdivisions (1) and (2) of subsection 3 of this section. If the exemption levels for the
124 calculation of the taxability of Social Security benefits are adjusted by applicable federal law or
125 regulation, the exemption levels in subdivisions (1) and (2) of subsection 3 of this section shall
126 be accordingly adjusted to the same exemption levels.

127 10. The portion of a taxpayer's lump sum distribution from an annuity or other retirement
128 plan not otherwise included in Missouri adjusted gross income as calculated pursuant to this
129 chapter but subject to taxation under Internal Revenue Code Section 402 shall be taxed in an
130 amount equal to ten percent of the taxpayer's federal liability on such distribution for the same
131 tax year.
132 11. For purposes of this section, retirement benefits received shall not include any
133 withdrawals from qualified retirement plans which are subsequently rolled over into another
134 retirement plan.
135 12. The exemptions provided for in this section shall not affect the calculation of the
136 income to be used to determine the property tax credit provided in sections 135.010 to 135.035.
137 13. The exemptions provided for in this section shall apply to any annuity, pension, or
138 retirement allowance as defined in subsection 1 of this section to the extent that such amounts
139 are included in the taxpayer's federal adjusted gross income and not otherwise deducted from the
140 taxpayer's federal adjusted gross income in the calculation of Missouri taxable income. This
141 subsection shall not apply to any individual who qualifies under federal guidelines to be one
142 hundred percent disabled.
143 14. In addition to all other subtractions authorized in this section, for all tax years
144 beginning on or after January 1, 2010, there shall be subtracted from Missouri adjusted gross
145 income, determined under section 143.121, any retirement benefits received by any taxpayer as
146 a result of the taxpayer's service in the armed forces of the United States, including reserve
147 components and the national guard of this state, as defined in Sections 101(3) and 109 of Title
148 32, United States Code, and any other military force organized under the laws of this state, to the
149 extent such benefits are included in the taxpayer's federal adjusted gross income and not
150 otherwise deducted from the taxpayer's federal adjusted gross income in the calculation of
151 Missouri taxable income. Such retirement benefits shall be subtracted as provided in the
152 following schedule:
153 (1) For the tax year beginning on January 1, 2010, fifteen percent of such retirement
154 benefits;
155 (2) For the tax year beginning on January 1, 2011, thirty percent of such retirement
156 benefits;
157 (3) For the tax year beginning on January 1, 2012, forty-five percent of such retirement
158 benefits;
159 (4) For the tax year beginning on January 1, 2013, sixty percent of such retirement
160 benefits;
161 (5) For the tax year beginning on January 1, 2014, seventy-five percent of such
162 retirement benefits;

163 (6) For the tax year beginning on January 1, 2015, ninety percent of such retirement
164 benefits;
165 (7) For tax years beginning on or after January 1, 2016, one hundred percent of such
166 retirement benefits.
167 **15. Notwithstanding any other provision of this section to the contrary, this section**
168 **shall apply to all taxable years ending on or before December 31, 2012.**

143.125. 1. As used in this section, the following terms mean:
2 (1) "Benefits", any Social Security benefits received by a taxpayer age sixty-two years
3 of age and older, or Social Security disability benefits;
4 (2) "Taxpayer", any resident individual.
5 2. For the taxable year beginning on or after January 1, 2007, any taxpayer shall be
6 allowed to subtract from the taxpayer's Missouri adjusted gross income to determine Missouri
7 taxable income a maximum of an amount equal to twenty percent of the amount of any benefits
8 received by the taxpayer and that are included in federal adjusted gross income under Section 86
9 of the Internal Revenue Code of 1986, as amended. For the taxable year beginning on or after
10 January 1, 2008, any taxpayer shall be allowed to subtract from the taxpayer's Missouri adjusted
11 gross income to determine Missouri taxable income a maximum of an amount equal to thirty-five
12 percent of the amount of any benefits received by the taxpayer and that are included in federal
13 adjusted gross income under Section 86 of the Internal Revenue Code of 1986, as amended. For
14 the taxable year beginning on or after January 1, 2009, any taxpayer shall be allowed to subtract
15 from the taxpayer's Missouri adjusted gross income to determine Missouri taxable income a
16 maximum of an amount equal to fifty percent of the amount of any benefits received by the
17 taxpayer and that are included in federal adjusted gross income under Section 86 of the Internal
18 Revenue Code of 1986, as amended. For the taxable year beginning on or after January 1, 2010,
19 any taxpayer shall be allowed to subtract from the taxpayer's Missouri adjusted gross income to
20 determine Missouri taxable income a maximum of an amount equal to sixty-five percent of the
21 amount of any benefits received by the taxpayer and that are included in federal adjusted gross
22 income under Section 86 of the Internal Revenue Code of 1986, as amended. For the taxable
23 year beginning on or after January 1, 2011, any taxpayer shall be allowed to subtract from the
24 taxpayer's Missouri adjusted gross income to determine Missouri taxable income a maximum
25 of an amount equal to eighty percent of the amount of any benefits received by the taxpayer and
26 that are included in federal adjusted gross income under Section 86 of the Internal Revenue Code
27 of 1986, as amended. For all taxable years beginning on or after January 1, 2012, any taxpayer
28 shall be allowed to subtract from the taxpayer's Missouri adjusted gross income to determine
29 Missouri taxable income a maximum of an amount equal to one hundred percent of the amount
30 of any benefits received by the taxpayer and that are included in federal adjusted gross income

31 under Section 86 of the Internal Revenue Code of 1986, as amended. A taxpayer shall be
32 entitled to the maximum exemption provided by this subsection:
33 (1) If the taxpayer's filing status is married filing combined, and their combined Missouri
34 adjusted gross income is equal to or less than one hundred thousand dollars; or
35 (2) If the taxpayer's filing status is single, head of household, qualifying widow(er), or
36 married filing separately, and the taxpayer's Missouri adjusted gross income is equal to or less
37 than eighty-five thousand dollars.
38 3. If a taxpayer's adjusted gross income exceeds the adjusted gross income ceiling for
39 such taxpayer's filing status, as provided in subdivisions (1) and (2) of subsection 2 of this
40 section, such taxpayer shall be entitled to an exemption equal to the greater of zero or the
41 maximum exemption provided in subsection 2 of this section reduced by one dollar for every
42 dollar such taxpayer's income exceeds the ceiling for his or her filing status.
43 4. The director of the department of revenue may promulgate rules to implement the
44 provisions of this section. Any rule or portion of a rule, as that term is defined in section
45 536.010, that is created under the authority delegated in this section shall become effective only
46 if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section
47 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the
48 general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove
49 and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority
50 and any rule proposed or adopted after August 28, 2007, shall be invalid and void.
51 **5. Notwithstanding any other provision of this section to the contrary, this section**
52 **shall apply to all taxable years ending on or before December 31, 2012.**

143.127. 1. For all tax years beginning on or after January 1, 2000, the following
2 amounts received by an individual or returns and payments to an individual shall be subtracted
3 from such individual's federal adjusted gross income, to the extent such amounts, returns or
4 payments are included in such individual's federal adjusted gross income:
5 (1) Amounts received as reparations or restitution for the loss of liberty or life or damage
6 to health by the victims of National Socialist (Nazi) persecution;
7 (2) Returns of tangible or intangible property seized, misappropriated or lost as a result
8 of National Socialist (Nazi) actions or policies and any cash values in replacement of such
9 property;
10 (3) Payments of insurance policies purchased prior to December 31, 1945, by the victims
11 of National Socialist (Nazi) persecution; and
12 (4) Any accumulated or accrued interest on such amounts, returns or payments.
13 2. The subtraction of the amounts, returns or payments from an individual's Missouri
14 adjusted gross income shall only apply if such individual was a victim of National Socialist

15 (Nazi) persecution, actions or policies or is the spouse or descendant of a victim of National
16 Socialist (Nazi) persecution, actions or policies, and such individual or family member is the first
17 recipient of such amounts, returns or payments.
18 3. As used in this section, "National Socialist (Nazi) persecution, actions and policies"
19 means persecution, actions or policies taken by Germany and other countries, or by
20 organizations, institutions and companies within those countries, against the victims of the Nazi
21 Holocaust.
22 **4. Notwithstanding any other provision of this section to the contrary, this section**
23 **shall apply to all taxable years ending on or before December 31, 2012.**

143.131. 1. The Missouri standard deduction may be deducted in determining Missouri
2 taxable income of a resident individual unless the taxpayer or his spouse has elected to itemize
3 his deduction as provided in section 143.141.
4 2. The Missouri standard deduction shall be the allowable federal standard deduction.
5 **3. Notwithstanding any other provision of this section to the contrary, this section**
6 **shall apply to all taxable years ending on or before December 31, 2012.**

143.141. **1. Notwithstanding any other provision of this section to the contrary, this**
2 **section shall apply to all taxable years ending on or before December 31, 2012.**
3 **2.** If federal taxable income of a resident individual is determined by itemizing
4 deductions from his federal adjusted gross income, he may elect to deduct his Missouri itemized
5 deduction in lieu of his Missouri standard deduction. The Missouri itemized deduction of a
6 resident individual means the allowable federal itemized deductions which consist of allowable
7 federal deductions other than those allowable in arriving at federal adjusted gross income and
8 other than the federal deductions for personal and dependency exemptions, with the following
9 modifications:
10 (1) Reduced by the proportional amount thereof representing the tax imposed by sections
11 143.011 to 143.998;
12 (2) Reduced by the proportional amount thereof representing any income taxes imposed
13 by another state of the United States or a political subdivision thereof or the District of
14 Columbia;
15 (3) Increased by the fair market value of a literary, musical, scholarly, or artistic
16 composition contributed to any tax exempt agency or institution which is operated on a
17 not-for-profit basis by any taxpayer whose personal efforts created such composition less the
18 amount deducted from federal adjusted gross income attributable to such contribution. The fair
19 market value of such literary, musical, scholarly or artistic composition shall be determined by
20 written appraisal of the property by a person qualified to make such an appraisal other than the
21 taxpayer, the donee, or any "related taxpayer" within the meaning of such term as defined by

22 sections 267(b) and 1313(c) of the Internal Revenue Code, as amended. The appraisal shall be
23 made within one year of the date of the donation and attached to the taxpayer's income tax return;
24 (4) Increased to the extent not otherwise deductible, by the taxes for the same taxable
25 year for which the return is being filed that are imposed by the following provisions of the
26 Internal Revenue Code:
27 (a) Section 3101, relating to the tax on employees under the Federal Insurance
28 Contributions Act;
29 (b) Sections 3201 and 3211, relating to the taxes on railroad employees and railroad
30 employee representatives under the Railroad Retirement Tax Act;
31 (c) Section 1401, relating to tax on self-employment income, to the extent that such taxes
32 were not deducted in the computation of the taxpayer's federal adjusted gross income under the
33 Internal Revenue Code of 1986, as amended.

143.143. The provisions of sections 143.131 to 143.143 shall apply with respect to all
2 taxable years beginning after December 31, 1976**, but ending on or before December 31, 2012**.

143.151. **1. Notwithstanding any other provision of this section to the contrary, this**
2 **section shall apply to all taxable years ending on or before December 31, 2012.**
3 **2.** For all taxable years beginning before January 1, 1999, a resident shall be allowed a
4 deduction of one thousand two hundred dollars for himself or herself and one thousand two
5 hundred dollars for his or her spouse if he or she is entitled to a deduction for such personal
6 exemptions for federal income tax purposes. For all taxable years beginning on or after January
7 1, 1999, **but ending on or before December 31, 2012,** a resident shall be allowed a deduction
8 of two thousand one hundred dollars for himself or herself and two thousand one hundred dollars
9 for his or her spouse if he or she is entitled to a deduction for such personal exemptions for
10 federal income tax purposes.

143.161. 1. For all taxable years beginning after December 31, 1997, **but ending on or**
2 **before December 31, 2012,** a resident may deduct one thousand two hundred dollars for each
3 dependent for whom such resident is entitled to a dependency exemption deduction for federal
4 income tax purposes. In the case of a dependent who has attained sixty-five years of age on or
5 before the last day of the taxable year, if such dependent resides in the taxpayer's home or the
6 dependent's own home or if such dependent does not receive Medicaid or state funding while
7 residing in a facility licensed pursuant to chapter 198, the taxpayer may deduct an additional one
8 thousand dollars.
9 2. For all taxable years beginning before January 1, 1999, a resident who qualifies as an
10 unmarried head of household or as a surviving spouse for federal income tax purposes may
11 deduct an additional eight hundred dollars. For all taxable years beginning on or after January
12 1, 1999, **but ending on or before December 31, 2012,** a resident who qualifies as an unmarried

head of household or as a surviving spouse for federal income tax purposes may deduct an additional one thousand four hundred dollars.

3. Notwithstanding any other provision of this section to the contrary, this section shall apply to all taxable years ending on or before December 31, 2012.

143.171. 1. For all tax years beginning on or after January 1, 1994, **but ending on or before December 31, 2012,** an individual taxpayer shall be allowed a deduction for his federal income tax liability under Chapter 1 of the Internal Revenue Code for the same taxable year for which the Missouri return is being filed, not to exceed five thousand dollars on a single taxpayer's return or ten thousand dollars on a combined return, after reduction for all credits thereon, except the credit for payments of federal estimated tax, the credit for the overpayment of any federal tax, and the credits allowed by the Internal Revenue Code by Section 31 (tax withheld on wages), Section 27 (tax of foreign country and United States possessions), and Section 34 (tax on certain uses of gasoline, special fuels, and lubricating oils).

2. For all tax years beginning on or after September 1, 1993, a corporate taxpayer shall be allowed a deduction for fifty percent of its federal income tax liability under Chapter 1 of the Internal Revenue Code for the same taxable year for which the Missouri return is being filed after reduction for all credits thereon, except the credit for payments of federal estimated tax, the credit for the overpayment of any federal tax, and the credits allowed by the Internal Revenue Code by Section 31 (tax withheld on wages), Section 27 (tax of foreign country and United States possessions), and Section 34 (tax on certain uses of gasoline, special fuels and lubricating oils).

3. If a federal income tax liability for a tax year prior to the applicability of sections 143.011 to 143.996 for which he was not previously entitled to a Missouri deduction is later paid or accrued, he may deduct the federal tax in the later year to the extent it would have been deductible if paid or accrued in the prior year.

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;

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, venue,
26 or entity who pays compensation" shall not be construed to include any person, venue, or entity
27 that is exempt from taxation under 26 U.S.C. Section 501(c)(3), as amended, and that pays an
28 amount to the nonresident entertainer for the entertainer's appearance but receives no benefit
29 from the entertainer's appearance other than the entertainer's performance.
30 3. Any person, venue, or entity required to deduct and withhold tax pursuant to
31 subsection 2 of this section shall, for each calendar quarter, on or before the last day of the month
32 following the close of such calendar quarter, remit the taxes withheld in such form or return as
33 prescribed by the director of revenue and pay over to the director of revenue or to a depository
34 designated by the director of revenue the taxes so required to be deducted and withheld.
35 4. Any person, venue, or entity subject to this section shall be considered an employer
36 for purposes of section 143.191, and shall be subject to all penalties, interest, and additions to
37 tax provided in this chapter for failure to comply with this section.
38 5. Notwithstanding other provisions of this chapter to the contrary, the commissioner of
39 administration, for all taxable years beginning on or after January 1, 1999, but none after
40 December 31, 2015, shall annually estimate the amount of state income tax revenues collected
41 pursuant to this chapter which are received from nonresident members of professional athletic
42 teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal year for
43 a period of sixteen years, sixty percent of the annual estimate of taxes generated from the
44 nonresident entertainer and professional athletic team income tax shall be allocated annually to
45 the Missouri arts council trust fund, and shall be transferred from the general revenue fund to the
46 Missouri arts council trust fund established in section 185.100 and any amount transferred shall

47 be in addition to such agency's budget base for each fiscal year. The director shall by rule
48 establish the method of determining the portion of personal service income of such persons that
49 is allocable to Missouri.

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

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

72 8. Notwithstanding other provisions of section 185.200 to the contrary, the commissioner
73 of administration, for all taxable years beginning on or after January 1, 1999, but for none after
74 December 31, 2015, shall estimate annually the amount of state income tax revenues collected
75 pursuant to this chapter which are received from nonresident members of professional athletic
76 teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal year for
77 a period of sixteen years, ten percent of the annual estimate of taxes generated from the
78 nonresident entertainer and professional athletic team income tax shall be allocated annually to
79 the Missouri public television broadcasting corporation special fund, and shall be transferred
80 from the general revenue fund to the Missouri public television broadcasting corporation special
81 fund, and any amount transferred shall be in addition to such agency's budget base for each fiscal
82 year; provided, however, that twenty-five percent of such allocation shall be used for grants to

83 public radio stations which were qualified by the corporation for public broadcasting as of
84 November 1, 1996. Such grants shall be distributed to each of such public radio stations in this
85 state after receipt of the station's certification of operating and programming expenses for the
86 prior fiscal year. Certification shall consist of the most recent fiscal year financial statement
87 submitted by a station to the corporation for public broadcasting. The grants shall be divided
88 into two categories, an annual basic service grant and an operating grant. The basic service grant
89 shall be equal to thirty-five percent of the total amount and shall be divided equally among the
90 public radio stations receiving grants. The remaining amount shall be distributed as an operating
91 grant to the stations on the basis of the proportion that the total operating expenses of the
92 individual station in the prior fiscal year bears to the aggregate total of operating expenses for
93 the same fiscal year for all Missouri public radio stations which are receiving grants.
94 9. Notwithstanding other provisions of section 253.402 to the contrary, the commissioner
95 of administration, for all taxable years beginning on or after January 1, 1999, but for none after
96 December 31, 2015, shall estimate annually the amount of state income tax revenues collected
97 pursuant to this chapter which are received from nonresident members of professional athletic
98 teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal year for
99 a period of sixteen years, ten percent of the annual estimate of taxes generated from the
100 nonresident entertainer and professional athletic team income tax shall be allocated annually to
101 the Missouri department of natural resources Missouri historic preservation revolving fund, and
102 shall be transferred from the general revenue fund to the Missouri department of natural
103 resources Missouri historic preservation revolving fund established in section 253.402 and any
104 amount transferred shall be in addition to such agency's budget base for each fiscal year. As
105 authorized pursuant to subsection 2 of section 30.953, it is the intention and desire of the general
106 assembly that the state treasurer convey, to the Missouri investment trust on January 1, 1999, up
107 to one hundred percent of the balances of the Missouri arts council trust fund established
108 pursuant to section 185.100 and the Missouri humanities council trust fund established pursuant
109 to section 186.055. The funds shall be reconveyed to the state treasurer by the investment trust
110 as follows: the Missouri arts council trust fund, no earlier than January 2, 2009; and the
111 Missouri humanities council trust fund, no earlier than January 2, 2009.
112 10. This section shall not be construed to apply to any person who makes a presentation
113 for professional or technical education purposes or to apply to any presentation that is part of a
114 seminar, conference, convention, school, or similar program format designed to provide
115 professional or technical education.
116 **11. Notwithstanding any other provision of this section to the contrary, this section**
117 **shall apply to all taxable years ending on or before December 31, 2012.**

143.351. 1. An adjustment shall be made in determining the Missouri taxable income of a resident estate or trust under section 143.341, or the Missouri adjusted gross income of a resident beneficiary of any estate or trust under section 143.121, subsection 4, in the amount of the share of each in the Missouri fiduciary adjustment as determined in this section.

2. The Missouri fiduciary adjustment shall be the net amount of the modifications described in **[**subsections 2, 3, and 4 of**]** section 143.121 (if the estate or trust is a beneficiary of another estate or trust), **[**subsection 5 of section 143.121,**]** section 143.141, and section 143.171. The net amount of such modification shall not include any modification to the extent such items are not determinants of the federal distributable net income of the estate or trust.

3. (1) The respective shares of an estate or trust and its beneficiaries (including, solely for the purpose of this allocation, nonresident and charitable beneficiaries) in the fiduciary adjustment shall be in proportion to their respective shares of the sum of federal distributable net income of the estate or trust and the amount paid or required to be paid to a charitable organization to the extent such amount is attributable to income for the current year.

(2) If the estate or trust has no federal distributable net income for the taxable year, the share of each beneficiary in the fiduciary adjustment shall be in proportion to his share of the estate or trust income for such year, under the applicable law or the government instrument, which is required to be distributed currently and any other amounts of such income distributed in such year. Any balance of the fiduciary adjustment shall be allocated to the estate or trust.

(3) The director of revenue may, by regulation, establish such other method or methods of determining to whom the items comprising the fiduciary adjustment shall be attributed, as may be appropriate and equitable. Such method may be used by the fiduciary in his discretion whenever the allocation of the fiduciary adjustment, pursuant to subdivision (1) or (2) of this subsection would result in an inequity which is substantial both in amount and in relation to the amount of the fiduciary adjustment.

143.421. 1. In determining the adjusted gross income of a nonresident partner of any partnership, there shall be included only that part derived from or connected with sources in this state of the partner's distributive share of items of partnership income, gain, loss, and deduction entering into his federal adjusted gross income, as such part is determined under regulations prescribed by the director of revenue in accordance with the general rules in section 143.181.

2. In determining the source of a nonresident partner's adjusted gross income, no effect shall be given to a provision in the partnership agreement which:

(1) Characterizes payments to the partner as being for services or for the use of capital, or allocated to the partner, as income or gain from sources outside this state, a greater proportion of his distributive share of partnership income or gain than the ratio of partnership income or

11 gain from sources outside this state to partnership income or gain from all sources, except as
12 authorized in subsection 4; or
13 (2) Allocates to the partner a greater proportion of a partnership item of loss or deduction
14 connected with sources in this state than his proportionate share, for federal income tax purposes,
15 of partnership loss or deduction generally, except as authorized in subsection 5.
16 3. Any modifications described in **[**subsections 2 and 3 of**]** section 143.121, and in
17 section 143.141, which relates to an item of partnership income, gain, loss, or deduction, shall
18 be made in accordance with the partner's distributive share, for federal income tax purposes, of
19 the item to which the modification relates, but limited to the portion of such item derived from
20 or connected with sources in this state.
21 4. The director of revenue may, on application, authorize the use of such other methods
22 of determining a nonresident partner's portion of partnership items derived from or connected
23 with sources in this state, and the modifications related thereto, as may be appropriate and
24 equitable, on such terms and conditions as he may require.
25 5. A nonresident partner's distributive share of items of income, gain, loss, or deduction
26 shall be determined under subsection 1 of section 143.411. The character of partnership items
27 for a nonresident partner shall be determined under subsection 2 of section 143.411. The effect
28 of a special provision in a partnership agreement, other than a provision referred to in subsection
29 2 of this section, having as a principal purpose the avoidance of tax under sections 143.011 to
30 143.996, shall be determined under subsection 3 of section 143.411.

143.471. 1. An S corporation, as defined by Section 1361 (a)(1) of the Internal Revenue
2 Code, shall not be subject to the taxes imposed by section 143.071, or other sections imposing
3 income tax on corporations.
4 2. A shareholder of an S corporation shall determine such shareholder's S corporation
5 modification and pro rata share, including its character, by applying the following:
6 (1) Any modification described in sections 143.121 and 143.141 which relates to an item
7 of S corporation income, gain, loss, or deduction shall be made in accordance with the
8 shareholder's pro rata share, for federal income tax purposes, of the item to which the
9 modification relates. Where a shareholder's pro rata share of any such item is not required to be
10 taken into account separately for federal income tax purposes, the shareholder's pro rata share
11 of such item shall be determined in accordance with his pro rata share, for federal income tax
12 purposes, of S corporation taxable income or loss generally;
13 (2) Each item of S corporation income, gain, loss, or deduction shall have the same
14 character for a shareholder pursuant to sections 143.005 to 143.998 as it has for federal income
15 tax purposes. Where an item is not characterized for federal income tax purposes, it shall have

16 the same character for a shareholder as if realized directly from the source from which realized
17 by the S corporation or incurred in the same manner as incurred by the S corporation.
18 3. A nonresident shareholder of an S corporation shall determine such shareholder's
19 Missouri nonresident adjusted gross income and his or her nonresident shareholder modification
20 by applying the provisions of this subsection. Items shall be determined to be from sources
21 within this state pursuant to regulations of the director of revenue in a manner consistent with
22 the division of income provisions of section 143.451, section 143.461, or section 32.200
23 (Multistate Tax Compact). In determining the adjusted gross income of a nonresident
24 shareholder of any S corporation, there shall be included only that part derived from or connected
25 with sources in this state of the shareholder's pro rata share of items of S corporation income,
26 gain, loss or deduction entering into shareholder's federal adjusted gross income, as such part is
27 determined pursuant to regulations prescribed by the director of revenue in accordance with the
28 general rules in section 143.181. Any modification described in **[**subsections 2 and 3 of**]** section
29 143.121 and in section 143.141, which relates to an item of S corporation income, gain, loss, or
30 deduction shall be made in accordance with the shareholder's pro rata share, for federal income
31 tax purposes, of the item to which the modification relates, but limited to the portion of such item
32 derived from or connected with sources in this state.
33 4. The director of revenue shall permit S corporations to file composite returns and to
34 make composite payments of tax on behalf of its nonresident shareholders not otherwise required
35 to file a return. If the nonresident shareholder's filing requirements result solely from one or
36 more interests in any other partnerships or subchapter S corporations, that nonresident
37 shareholder may be included in the composite return.
38 5. If an S corporation pays or credits amounts to any of its nonresident individual
39 shareholders as dividends or as their share of the S corporation's undistributed taxable income
40 for the taxable year, the S corporation shall either timely file with the department of revenue an
41 agreement as provided in subsection 6 of this section or withhold Missouri income tax as
42 provided in subsection 7 of this section. An S corporation that timely files an agreement as
43 provided in subsection 6 of this section with respect to a nonresident shareholder for a taxable
44 year shall be considered to have timely filed such an agreement for each subsequent taxable year.
45 An S corporation that does not timely file such an agreement for a taxable year shall not be
46 precluded from timely filing such an agreement for subsequent taxable years. An S corporation
47 is not required to deduct and withhold Missouri income tax for a nonresident shareholder if:
48 (1) The nonresident shareholder not otherwise required to file a return agrees to have the
49 Missouri income tax due paid as part of the S corporation's composite return;

50 (2) The nonresident shareholder not otherwise required to file a return had Missouri
51 assignable federal adjusted gross income from the S corporation of less than twelve hundred
52 dollars;
53 (3) The S corporation is liquidated or terminated;
54 (4) Income was generated by a transaction related to termination or liquidation; or
55 (5) No cash or other property was distributed in the current and prior taxable year.
56 6. The agreement referred to in subdivision (1) of subsection 5 of this section is an
57 agreement of a nonresident shareholder of the S corporation to:
58 (1) File a return in accordance with the provisions of section 143.481 and to make timely
59 payment of all taxes imposed on the shareholder by this state with respect to income of the S
60 corporation; and
61 (2) Be subject to personal jurisdiction in this state for purposes of the collection of
62 income taxes, together with related interest and penalties, imposed on the shareholder by this
63 state with respect to the income of the S corporation. The agreement will be considered timely
64 filed for a taxable year, and for all subsequent taxable years, if it is filed at or before the time the
65 annual return for such taxable year is required to be filed pursuant to section 143.511.
66 7. The amount of Missouri income tax to be withheld is determined by multiplying the
67 amount of dividends or undistributed income allocable to Missouri that is paid or credited to a
68 nonresident shareholder during the taxable year by the highest rate used to determine a Missouri
69 income tax liability for an individual, except that the amount of the tax withheld may be
70 determined based on withholding tables provided by the director of revenue if the shareholder
71 submits a Missouri withholding allowance certificate.
72 8. An S corporation shall be entitled to recover for a shareholder on whose behalf a tax
73 payment was made pursuant to this section, if such shareholder has no tax liability.
74 9. With respect to S corporations that are banks or bank holding companies, a pro rata
75 share of the tax credit for the tax payable pursuant to chapter 148 shall be allowed against each
76 S corporation shareholders' state income tax as follows, provided the bank otherwise complies
77 with section 148.112:
78 (1) The credit allowed by this subsection shall be equal to the bank tax calculated
79 pursuant to chapter 148 based on bank income in 1999 and after, on a bank that makes an
80 election pursuant to 26 U.S.C. Section 1362, and such credit shall be allocated to the qualifying
81 shareholder according to stock ownership, determined by multiplying a fraction, where the
82 numerator is the shareholder's stock, and the denominator is the total stock issued by such bank
83 or bank holding company;
84 (2) The tax credit authorized in this subsection shall be permitted only to the
85 shareholders that qualify as S corporation shareholders, provided the stock at all times during the

taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such stock is held by the shareholder during the taxable period. The credit created by this section on a yearly basis is available to each qualifying shareholder, including shareholders filing joint returns. A bank holding company is not allowed this credit, except that, such credit shall flow through to such bank holding company's qualified shareholders, and be allocated to such shareholders under the same conditions; and

(3) In the event such shareholder cannot use all or part of the tax credit in the taxable period of receipt, such shareholder may carry forward such tax credit for a period of the lesser of five years or until used, provided such credits are used as soon as the taxpayer has Missouri taxable income.

10. With respect to S corporations that are associations, a pro rata share of the tax credit for the tax payable under chapter 148 shall be allowed against each S corporation shareholders' state income tax as follows, provided the association otherwise complies with section 148.655:

(1) The credit allowed by this subsection shall be equal to the savings and loan association tax calculated under chapter 148 based on the computations provided in section 148.630 on an association that makes an election under 26 U.S.C. Section 1362, and such credit shall be allocated to the qualifying shareholder according to stock ownership, determined by multiplying a fraction, where the numerator is the shareholder's stock, and the denominator is the total stock issued by the association;

(2) The tax credit authorized in this subsection shall be permitted only to the shareholders that qualify as S corporation shareholders, provided the stock at all times during the taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such stock is held by the shareholder during the taxable period. The credit created by this section on a yearly basis is available to each qualifying shareholder, including shareholders filing joint returns. A savings and loan association holding company is not allowed this credit, except that, such credit shall flow through to such savings and loan association holding company's qualified shareholders, and be allocated to such shareholders under the same conditions; and

(3) In the event such shareholder cannot use all or part of the tax credit in the taxable period of receipt, such shareholder may carry forward such tax credit for a period of the lesser of five years or until used, provided such credits are used as soon as the taxpayer has Missouri taxable income.

11. With respect to S corporations that are credit institutions, a pro rata share of the tax credit for the tax payable under chapter 148 shall be allowed against each S corporation shareholders' state income tax as follows, provided the credit institution otherwise complies with section 148.657:

121 (1) The credit allowed by this subsection shall be equal to the credit institution tax
122 calculated under chapter 148 based on the computations provided in section 148.150 on a credit
123 institution that makes an election under 26 U.S.C. Section 1362, and such credit shall be
124 allocated to the qualifying shareholder according to stock ownership, determined by multiplying
125 a fraction, where the numerator is the shareholder's stock, and the denominator is the total stock
126 issued by such credit institution;
127 (2) The tax credit authorized in this subsection shall be permitted only to the
128 shareholders that qualify as S corporation shareholders, provided the stock at all times during the
129 taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such
130 stock is held by the shareholder during the taxable period. The credit created by this section on
131 a yearly basis is available to each qualifying shareholder, including shareholders filing joint
132 returns. A credit institution holding company is not allowed this credit, except that, such credit
133 shall flow through to such credit institution holding company's qualified shareholders, and be
134 allocated to such shareholders under the same conditions; and
135 (3) In the event such shareholder cannot use all or part of the tax credit in the taxable
136 period of receipt, such shareholder may carry forward such tax credit for a period of the lesser
137 of five years or until used, provided such credits are used as soon as the taxpayer has Missouri
138 taxable income.
139 **12. Notwithstanding any other provision of law to the contrary, no tax credits shall**
140 **be issued under this section after December 31, 2012, and any tax credit issued before**
141 **January 1, 2013, shall be redeemed before January 1, 2015.**
144.010. 1. The following words, terms, and phrases when used in **[**sections 144.010
2 to 144.525**] this chapter shall** have the meanings ascribed to them in this section, except when
3 the context indicates a different meaning:
4 (1) "Admission" includes seats and tables, reserved or otherwise, and other similar
5 accommodations and charges made therefor and amount paid for admission, exclusive of any
6 admission tax imposed by the federal government or by sections 144.010 to 144.525;
7 (2) **"Advertising and promotional direct mail", printed material that meets the**
8 **definition of direct mail, the primary purpose of which is to attract public attention to a**
9 **product, person, business, or organization, or to attempt to sell, popularize, or secure**
10 **financial support for a product, person, business, or organization. As used in this**
11 **subdivision, the word "product" means tangible personal property, a product transferred**
12 **electronically or a service;**
13 **(3) "Agreement", the streamlined sales and use tax agreement, as amended from**
14 **time to time;**

(4) "Air-to-ground radiotelephone service", a radio service, as that term is defined in 47 CFR 22.99, in which common carriers are authorized to offer and provide radio telecommunications service for hire to subscribers in aircraft;

(5) "Alcoholic beverages", beverages that are suitable for human consumption and contain one-half of one percent or more of alcohol by volume;

(6) "Ancillary services", services that are associated with or incidental to the provisions of telecommunications services, including but not limited to, detailed telecommunications billing, directory assistance, vertical service, and voice mail services. Ancillary services shall not include specified digital products, digital audio-visual works, digital audio works, or digital books;

(7) "Appliance", clothes washers and dryers, water heaters, trash compactors, dishwashers, conventional ovens, ranges, stoves, air conditioners, furnaces, refrigerators and freezers;

(8) "Bottled water", water that is placed in a safety sealed container or package for human consumption. Bottled water is calorie free and does not contain sweeteners or other additives except that it may contain:

(a) Antimicrobial agents;

(b) Fluoride;

(c) Carbonation;

(d) Vitamins, minerals, and electrolytes;

(e) Oxygen;

(f) Preservatives; and

(g) Only those flavors, extracts, or essences derived from a spice or fruit.

Bottled water includes water that is delivered to the buyer in a reusable container that is not sold with the water;

(9) "Bundled transaction":

(a) The retail sale of two or more products, except real property and services to real property, where the products are otherwise distinct and identifiable, and the products are sold for one nonitemized price. A bundled transaction shall not include the sale of any products in which the sales price varies, or is negotiable, based on the selection by the purchaser of the products included in the transaction;

(b) As used in this paragraph, the term "distinct and identifiable products" shall not include:

a. Packaging, such as containers, boxes, sacks, bags, and bottles, or other materials, such as wrapping, labels, tags, and instruction guides, that accompany the retail sale of the products and are incidental or immaterial to the retail sale thereof;

b. A product provided free of charge with the required purchase of another product. A product is provided free of charge if the sales price of the product purchased does not vary depending on the inclusion of the product provided free of charge;

c. Items included in the definition of the term sales price;

(c) As used in this paragraph, the term "one nonitemized price" shall not include a price that is separately identified by product on binding sales or other supporting sales-related documentation made available to the customer in paper or electronic form, including but not limited to an invoice, bill of sale, receipt, contract, service agreement, lease agreement, periodic notice of rates and services, rate card, or price list;

(d) a. A transaction that otherwise meets the definition of a bundled transaction as defined in this subdivision shall not constitute a bundled transaction if it is:

(i) A retail sale of tangible personal property and a service where the tangible personal property is essential to the use of the service, and is provided exclusively in connection with the service, and the true object of the transaction is the service; or

(ii) A retail sale of services where one service is provided that is essential to the use of receipt of a second service and the first service is provided exclusively in connection with the second service and the true object of the transaction is the second service; or

(iii) A transaction that includes taxable products and nontaxable products and the sales price of the taxable products is de minimis.

b. "De minimis" means the sales price of the taxable product is ten percent or less of the total sales price of the bundled products.

c. Sellers shall use the sales price of the products to determine if the taxable products are de minimis.

d. (i) Sellers shall use the full term of a service contract to determine if the taxable products are de minimis; or

(ii) A retail sale of exempt tangible personal property and taxable tangible personal property where:

i. The transaction included food and food ingredients, drugs, durable medical equipment, mobility enhancing equipment, over-the-counter drugs, prosthetic devices, or medical supplies; and

ii. The seller's purchase price or sales price of the taxable tangible personal property is fifty percent or less of the total sales price of the bundled tangible personal

property. Sellers shall not use a combination of the purchase price and sales price of the tangible personal property when making the fifty percent determination for a transaction;

(10) "Business" includes any activity engaged in by any person, or caused to be engaged in by him, with the object of gain, benefit or advantage, either direct or indirect, and the classification of which business is of such character as to be subject to the terms of sections 144.010 to 144.525. The isolated or occasional sale of tangible personal property, service, substance, or thing, by a person not engaged in such business, does not constitute engaging in business within the meaning of sections 144.010 to 144.525 unless the total amount of the gross receipts from such sales, exclusive of receipts from the sale of tangible personal property by persons which property is sold in the course of the partial or complete liquidation of a household, farm or nonbusiness enterprise, exceeds three thousand dollars in any calendar year. The provisions of this subdivision shall not be construed to make any sale of property which is exempt from sales tax or use tax on June 1, 1977, subject to that tax thereafter;

[(3)**] (11) "Calendar quarter", the period of three consecutive calendar months ending on March thirty-first, June thirtieth, September thirtieth or December thirty-first;**

(12) "Call-by-call basis", any method of charging for telecommunications services where the price is measured by individual calls;

(13) "Candy", a preparation of sugar, honey, or other natural or artificial sweeteners in combination with chocolate, fruits, nuts or other ingredients or flavorings in the form of bars, drops, or pieces. Candy shall not include any preparation containing flour and shall require no refrigeration;

(14) "Captive wildlife", includes but is not limited to exotic partridges, gray partridge, northern bobwhite quail, ring-necked pheasant, captive waterfowl, captive white-tailed deer, captive elk, and captive furbearers held under permit issued by the Missouri department of conservation for hunting purposes. The provisions of this subdivision shall not apply to sales tax on a harvested animal;

(15) "Certified automated system" or "CAS", software certified under the streamlined sales and use tax agreement to calculate the tax imposed by each jurisdiction on a transaction, determine the amount of tax to remit to the appropriate state, and maintain a record of the transaction;

(16) "Certified service provider" or "CSP", an agent certified under the streamlined sales and use tax agreement to perform all the seller's sales and use tax functions, other than the seller's obligation to remit tax on its own purchases;

(17) "Clothing":

(a) All human wearing apparel suitable for general use;

(b) Clothing shall include:

a. Aprons, household and shop;
b. Athletic supporters;
c. Baby receiving blankets;
d. Bathing suits and caps;
e. Beach capes and coats;
f. Belts and suspenders;
g. Boots;
h. Coats and jackets;
i. Costumes;
j. Diapers, children and adult, including disposable diapers;
k. Ear muffs;
l. Footlets;
m. Formal wear;
n. Garters and garter belts;
o. Girdles;
p. Gloves and mittens for general use;
q. Hats and caps;
r. Hosiery;
s. Insoles for shoes;
t. Lab coats;
u. Neckties;
v. Overshoes;
w. Pantyhose;
x. Rainwear;
y. Rubber pants;
z. Sandals;
aa. Scarves;
bb. Shoes and shoe laces;
cc. Slippers;
dd. Sneakers;
ee. Socks and stockings;
ff. Steel toed shoes;
gg. Underwear;
hh. Uniforms, athletic and nonathletic; and
ii. Wedding apparel;
(c) Clothing shall not include:

a. Belt buckles sold separately;

b. Costume masks sold separately;

c. Patches and emblems sold separately;

d. Sewing equipment and supplies, including but not limited to, knitting needles, patterns, pins, scissors, sewing machines, sewing needles, tape measures, and thimbles; and

e. Sewing materials that become part of clothing, including but not limited to buttons, fabric, lace, thread, yarn, and zippers;

(18) "Clothing accessories and equipment", incidental items worn on the person or in conjunction with clothing. Clothing accessories or equipment are mutually exclusive of clothing, sport or recreational equipment, and protective equipment;

(19) "Coin-operated telephone service", a telecommunications service paid for by inserting money into a telephone accepting direct deposits of money to operate;

(20) "Communications channel", a physical or virtual path of communications over which signals are transmitted between or among customer channel termination points;

(21) "Computer", an electronic device that accepts information in digital or similar form and manipulates it for a result based on a sequence of instructions;

(22) "Computer software", a set of coded instructions designed to cause a computer or automatic data processing equipment to perform a task. Computer software shall not include specified digital products, digital audio-visual works, digital audio works, or digital books;

(23) "Conference bridging service", an ancillary service that links two or more participants of an audio or video conference call and may include the provision of a telephone number. Conference bridging service does not include the telecommunications services used to reach the conference bridge;

(24) "Customer", the person or entity that contracts with the seller of telecommunications services. If the end user of telecommunications services is not the contracting party, the end user of the telecommunications service is the customer of the telecommunication service, but this definition only applies to the purpose of sourcing sales of telecommunications services under section 144.043. Customer shall not include a reseller of telecommunications service or for mobile telecommunications service of a serving carrier under an agreement to serve the customer outside the home service provider's licensed service area;

(25) "Customer channel termination point", the location where the customer either inputs or receives the communication;

(26) "Delivered electronically", delivered to the purchaser by means other than tangible storage media;

192 **(27) "Delivery charges", charges by the seller of personal property or services for**
193 **preparation and delivery to a location designated by the purchaser of personal property**
194 **or services, including but not limited to transportation, shipping, postage, handling,**
195 **crating, and packing;**
196 **(28) "Detailed telecommunications billing service", an ancillary service of**
197 **separately stating information pertaining to individual calls on a customer's billing**
198 **statement;**
199 **(29) "Dietary supplement", any product, other than tobacco, intended to**
200 **supplement the diet that contains one or more of the following dietary ingredients: a**
201 **vitamin; a mineral; an herb or other botanical; an amino acid; a dietary substance for use**
202 **by humans to supplement the diet by increasing the total dietary intake; or a concentrate,**
203 **metabolite, constituent, extract, or combination of any ingredient described above; and**
204 **that is intended for ingestion in tablet, capsule, powder, softgel, gelcap, or liquid form, or**
205 **if not intended for ingestion in such a form, is not represented as a conventional food and**
206 **is not represented for use as a sole item of a meal or of the diet; and that is required to be**
207 **labeled as a dietary supplement, identifiable by the supplemental facts box found on the**
208 **label and as required under 21 CFR Section 101.36;**
209 **(30) "Digital audio works", works that result from the fixation of a series of**
210 **musical, spoken, or other sounds, including ringtones;**
211 **(31) "Digital audio-visual works", a series of related images which, when shown**
212 **in succession, impart an impression of motion, together with accompanying sounds, if any;**
213 **(32) "Digital books", works that are generally recognized in the ordinary and usual**
214 **sense as books;**
215 **(33) "Direct mail", printed material delivered or distributed by United States mail**
216 **or other delivery service to a mass audience or to addressees on a mailing list provided by**
217 **the purchaser or at the direction of the purchaser when the cost of the items are not billed**
218 **directly to the recipients. Direct mail shall include tangible personal property supplied**
219 **directly or indirectly by the purchaser to the direct mail seller for inclusion in the package**
220 **containing the printed material. Direct mail shall not include multiple items of printed**
221 **material delivered to a single address;**
222 **(34) "Directory assistance", an ancillary service of providing telephone number**
223 **information, and/or address information;**
224 **(35) "Drug":**
225 **(a) A compound, substance, or preparation, and any component of a compound,**
226 **substance, or preparation, other than food and food ingredients, dietary supplements,**
227 **alcoholic beverages, or grooming and hygiene products:**

228 **a. Recognized in the official United States Pharmacopoeia, official Homeopathic**
229 **Pharmacopoeia of the United States, or official National Formulary, and supplement to any**
230 **of them;**
231 **b. Intended for use in the diagnosis, cure, mitigation, treatment, or prevention of**
232 **disease; or**
233 **c. Intended to affect the structure or any function of the body;**
234 **(b) Drug shall include insulin and medical oxygen;**
235 **(36) "Durable medical equipment", equipment including repair and replacement**
236 **parts for same, excluding mobility enhancing equipment. Durable medical equipment:**
237 **(a) Can withstand repeated use;**
238 **(b) Is primarily and customarily used to serve a medical purpose;**
239 **(c) Generally is not useful to a person in the absence of illness or injury;**
240 **(d) Is not worn in or on the body;**
241 **(e) Is for home use;**
242 **(f) Is within the classification of devices eligible for MO HealthNet and Medicare**
243 **reimbursement;**
244 **(g) Shall not include:**
245 **a. Kidney dialysis equipment not worn in or on the body, including repair and**
246 **replacement parts; and**
247 **b. Enteral feeding systems not worn in or on the body, including repair and**
248 **replacement parts.**
249
250 **As used in this subdivision, repair and replacement parts shall include all components or**
251 **attachments used in conjunction with the durable medical equipment;**
252 **(37) "Electronic", relating to technology having electrical, digital, magnetic,**
253 **wireless, optical, electromagnetic, or similar capabilities;**
254 **(38) "End user", the person who utilizes the telecommunication service. In case of**
255 **an entity, "end user" means the individual who utilizes the service on behalf of the entity;**
256 **(39) "Energy star qualified product", a product that meets the energy efficient**
257 **guidelines set by the United States Environmental Protection Agency and the United States**
258 **Department of Energy that are authorized to carry the Energy Star label. Covered**
259 **products are those listed at www.energystar.gov or successor address;**
260 **(40) "Engages in business activities within this state", includes:**
261 **(a) Purposefully or systematically exploiting the market provided by this state by**
262 **any media-assisted, media-facilitated, or media-solicited means, including but not limited**
263 **to direct mail advertising, distribution of catalogs, computer-assisted shopping, telephone,**

television, radio, or other electronic media, or magazine or newspaper advertisements, or other media; or

(b) Being owned or controlled by the same interests which own or control any seller engaged in the same or similar line of business in this state; or

(c) Maintaining or having a franchisee or licensee operating under the seller's trade name in this state if the franchisee or licensee is required to collect sales tax under sections 144.010 to 144.525; or

(d) Soliciting sales or taking orders by sales agents or traveling representatives;

(41) "Food and food ingredients", substances, whether in liquid, concentrated, solid, frozen, dried, or dehydrated form, that are sold for ingestion or chewing by humans and are consumed for their taste or nutritional value. Food and food ingredients shall not include alcoholic beverages, tobacco, or dietary supplements;

(42) "Food sold through vending machines", food dispensed from a machine or other mechanical device that accepts payment;

(43) "Grooming and hygiene products", soaps and cleaning solutions, shampoo, toothpaste, mouthwash, antiperspirants, and suntan lotions and screens, regardless of whether the items meet the definition of over-the-counter-drugs;

[(4)**] (44)** "Gross receipts"**[**,**] or "sales price":**

(a) Except as provided in section 144.012, **[**means the total amount of the sale price of the sales at retail including any services other than charges incident to the extension of credit that are a part of such sales made by the businesses herein referred to, capable of being valued in money, whether received in money or otherwise; except that, the term "gross receipts" shall not include the sale price of property returned by customers when the full sale price thereof is refunded either in cash or by credit. In determining any tax due under sections 144.010 to 144.525 on the gross receipts, charges incident to the extension of credit shall be specifically exempted. For the purposes of sections 144.010 to 144.525 the total amount of the sale price above mentioned shall be deemed to be the amount received. It shall also include the lease or rental consideration where the right to continuous possession or use of any article of tangible personal property is granted under a lease or contract and such transfer of possession would be taxable if outright sale were made and, in such cases, the same shall be taxable as if outright sale were made and considered as a sale of such article, and the tax shall be computed and paid by the lessee upon the rentals paid;**] applies to the measure subject to sales tax and means the total amount of consideration, including cash, credit, property, and services, for which personal property or services are sold, leased, or rented, valued in money, whether received in money or otherwise, without any deduction for the following:**

a. The seller's cost of the property sold;

b. The cost of materials used, labor or service cost, interest, losses, all costs of transportation to the seller, all taxes imposed on the seller, and any other expense of the seller;

c. Charges by the seller for any services necessary to complete the sale, other than delivery and installation charges;

d. Delivery charges; and

e. Credit for any trade-in;

(b) Shall not include:

a. Discounts, including cash, term, or coupons that are not reimbursed by a third party that are allowed by a seller and taken by a purchaser on a sale;

b. Interest, financing, and carrying charges from credit extended on the sale of personal property or services, if the amount is separately stated on the invoice, bill of sale or similar document given to the purchaser; and

c. Any taxes legally imposed directly on the consumer that are separately stated on the invoice, bill of sale or similar document given to the purchaser;

(c) Shall include consideration received by the seller from third parties if:

a. The seller actually receives consideration from a party other than the purchaser and the consideration is directly related to a price reduction or discount on the sale;

b. The seller has an obligation to pass the price reduction or discount through to the purchaser;

c. The amount of the consideration attributable to the sale is fixed and determinable by the seller at the time of the sale of the item to the purchaser; and

d. One of the following criteria is met:

(i) The purchaser presents a coupon, certificate or other documentation to the seller to claim a price reduction or discount where the coupon, certificate or documentation is authorized, distributed, or granted by a third party with the understanding that the third party will reimburse any seller to whom the coupon, certificate or documentation is presented;

(ii) The purchaser identifies himself or herself to the seller as a member of a group or organization entitled to a price reduction or discount (a preferred customer card that is available to any patron does not constitute membership in such a group); or

(iii) The price reduction or discount is identified as a third-party price reduction or discount on the invoice received by the purchaser or on a coupon, certificate or other documentation presented by the purchaser;

(45) "Home service provider", the same as such term is defined in Section 124(5) of Public Law 106-252, Mobile Telecommunications Sourcing Act;

(46) "Lease or rental":

(a) Any transfer of possession or control of tangible personal property for a fixed or indeterminate term for consideration. A lease or rental may include future options to purchase or extend;

(b) Lease or rental shall not include:

a. A transfer of possession or control of property under a security agreement or deferred payment plan that requires the transfer of title upon completion of the required payments;

b. A transfer of possession or control of property under an agreement that requires the transfer of title upon completion of required payments and where any payment of an option price does not exceed the greater of one hundred dollars or one percent of the total required payments;

c. Providing tangible personal property along with an operator for a fixed or indeterminate period of time provided that the operator is necessary for the equipment to perform as designed and the operator does more than maintain, inspect, or set up the tangible personal property;

(c) Lease or rental includes agreements covering motor vehicles and trailers where the amount of consideration may be increased or decreased by reference to the amount realized upon sale or disposition of the property as defined in 26 U.S.C. Section 7701(h)(1), as amended;

(47) "Light aircraft", a light airplane that seats no more than four persons, with a gross weight of three thousand pounds or less, which is primarily used for recreational flying or flight training;

(48) "Light aircraft kit", factory manufactured light aircraft parts and components, including engine, propeller, instruments, wheels, brakes, and air frame parts which make up a complete aircraft kit or partial kit designed to be assembled into a light aircraft and then operated by a qualified light aircraft purchaser for recreational and educational purposes;

(49) "Light aircraft parts and components", manufactured light aircraft parts, including air frame and engine parts, that are required by the qualified light aircraft purchaser to complete a light aircraft kit, or spare or replacement parts for an already completed light aircraft;

[(5)**] (50)** "Livestock", cattle, calves, sheep, swine, ratite birds, including but not limited to, ostrich and emu, aquatic products as defined in section 277.024, llamas, alpaca, buffalo, elk documented as obtained from a legal source and not from the wild, goats, horses, other equine, or rabbits raised in confinement for human consumption;

372 **[**(6)**] (51) "Load and leave", delivery to the purchaser by use of a tangible storage**
373 **media where the tangible storage media is not physically transferred to the purchaser;**
374 **(52) "Maintains a place of business in this state", includes maintaining, occupying,**
375 **or using, permanently or temporarily, directly or indirectly, or through a subsidiary, or**
376 **agent, by whatever name called, an office, place of distribution, sales or sample room or**
377 **place, warehouse or storage place, or other place of business;**
378 **(53) "Mobile telecommunications service", the same as such term is defined in**
379 **Section 124(7) of Public Law 106-252, Mobile Telecommunications Sourcing Act;**
380 **(54) "Mobility enhancing equipment", equipment, including repair and**
381 **replacement parts to same, which:**
382 **(a) Is primarily and customarily used to provide or increase the ability to move**
383 **from one place to another and which is appropriate for use either in a home or a motor**
384 **vehicle; and**
385 **(b) Is not generally used by persons with normal mobility; and**
386 **(c) Is within the classification of devices eligible for Mo HealthNet and Medicare**
387 **reimbursement.**
388
389 **Mobility enhancement equipment shall not include durable medical equipment or any**
390 **motor vehicle or equipment on a motor vehicle normally provided by a motor vehicle**
391 **manufacturer;**
392 **(55) "Model 1 seller", a seller registered under the agreement that has selected a**
393 **certified service provider as its agent to perform all the seller's sales and use tax functions,**
394 **other than the seller's obligation to remit tax on its own purchases;**
395 **(56) "Model 2 seller", a seller that has selected a certified automated system (CAS)**
396 **to perform part of its sales and use tax functions, but retains responsibility for remitting**
397 **the tax;**
398 **(57) "Model 3 seller", a seller registered under the agreement that has sales in at**
399 **least five member states, has total annual sales revenue of at least five hundred million**
400 **dollars, has a proprietary system that calculates the amount of tax due each jurisdiction,**
401 **and has entered into a performance agreement with the member states that establishes a**
402 **tax performance standard for the seller. As used in this subdivision, a seller shall include**
403 **an affiliated group of sellers using the same proprietary system;**
404 **(58) "Model 4 seller", a seller that is registered under the agreement and is not a**
405 **Model 1 Seller, a Model 2 Seller or a Model 3 Seller;**
406 **(59)** "Motor vehicle leasing company" **[**shall be**] ,** a company obtaining a permit from
407 the director of revenue to operate as a motor vehicle leasing company. Not all persons renting

408 or leasing trailers or motor vehicles need to obtain such a permit; however, no person failing to
409 obtain such a permit may avail itself of the optional tax provisions of subsection 5 of section
410 144.070, as hereinafter provided;
411 **[**(7)**] (60) "Other direct mail", any direct mail that is not advertising and**
412 **promotional direct mail regardless of whether advertising and promotional direct mail is**
413 **included in the same mailing. Other direct mail includes, but is not limited to:**
414 **(a) Transactional direct mail that contains personal information specific to the one**
415 **addressee including, but not limited to, invoices, bills, statements of account, and payroll**
416 **advices;**
417 **(b) Any legally required mailings including, but not limited to, privacy notices, tax**
418 **reports, and stockholder reports; and**
419 **(c) Other nonpromotional direct mail delivered to existing or former shareholders,**
420 **customers, employees, or agents including, but not limited to, newsletters and**
421 **informational pieces.**
422
423 **Other direct mail shall not include the development of billing information or the provision**
424 **or any data processing service that is more than incidental;**
425 **(61) "Over-the-counter-drug", a drug, excluding grooming and hygiene products,**
426 **that contains a label that identifies the product as a drug as required by 21 CFR Section**
427 **201.66 and includes:**
428 **(a) A drug facts panel; or**
429 **(b) A statement of the active ingredients with a list of those ingredients contained**
430 **in the compound, substance, or preparation;**
431 **(62)** "Person" includes any individual, firm, copartnership, joint adventure, association,
432 corporation, municipal or private, and whether organized for profit or not, state, county, political
433 subdivision, state department, commission, board, bureau or agency, **[**except the state
434 transportation department,**]** estate, trust, business trust, receiver or trustee appointed by the state
435 or federal court, syndicate, or any other group or combination acting as a unit, and the plural as
436 well as the singular number**, or any other legal entity**;
437 **[**(8)**] (63) "Place of primary use", the street address representative of where the**
438 **customer's use of the telecommunications service primarily occurs, which must be the**
439 **residential street address or the primary business street address of the customer. In the**
440 **case of mobile telecommunications services, place of primary use must be within the**
441 **licensed service area of the home service provider;**
442 **(64) "Post-paid calling service", the telecommunications service obtained by**
443 **making a payment on a call-by-call basis either through the use of a credit card or payment**

mechanism such as a bank card, travel card, credit card, or debit card, or by charge made to a telephone number which is not associated with the origination or termination of the telecommunications service. A post-paid calling service includes a telecommunications service, except a prepaid wireless calling service, that would be a prepaid calling service except it is not exclusively a telecommunications service;

(65) "Prepaid calling service", the right to access exclusively telecommunications services, which must be paid for in advance and which enables the origination of calls using an access number or authorization code, whether manually or electronically dialed, and that is sold in predetermined units or dollars of which the number declines with use in a known amount;

(66) "Prepaid wireless calling service", a telecommunications service that provides the right to utilize mobile wireless services as well as other nontelecommunications services, including the download of digital products delivered electronically, content and ancillary services, which must be paid for in advance and that is sold in predetermined units or dollars of which the number declines with use in a known amount;

(67) "Prepared food", food sold in a heated state or heated by the seller; two or more food ingredients mixed or combined by the seller for sale as a single item; or food sold with eating utensils provided by the seller, including plates, knives, forks, spoons, glasses, cups, napkins, or straws. A plate shall not include a container or packaging used to transport the food. Prepared food shall not include food that is only cut, repackaged, or pasteurized by the seller and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the Food and Drug Administration in Chapter 3, Part 401.11 of the Food Code so as to prevent food borne illnesses;

(68) "Prescription", an order, formula, or recipe issued in any form of oral, written, electronic, or other means of transmission by a duly licensed practitioner authorized by the laws of the state;

(69) "Prewritten computer software", computer software, including prewritten upgrades, which is not designed and developed by the author or other creator to the specifications of a specific purchaser. The combining of two or more prewritten computer software programs or prewritten portions thereof shall not cause the combination to be other than prewritten computer software. Prewritten computer software shall include software designed and developed by the author or other creator to the specifications of a specific purchaser when it is sold to a person other than the specific purchaser. Where a person modifies or enhances computer software of which the person is not the author or creator, the person shall be deemed to be the author or creator only of such person's

480 **modifications or enhancements. Prewritten computer software or a prewritten portion**
481 **thereof that is modified or enhanced to any degree, where such modification or**
482 **enhancement is designed and developed to the specifications of a specific purchaser,**
483 **remains prewritten computer software; provided, however, that where there is a**
484 **reasonable, separately stated charge or an invoice or other statement of the price given to**
485 **the purchaser for such modification or enhancement, such modification or enhancement**
486 **shall not constitute prewritten computer software;**
487 **(70) "Private communication service", a telecommunications service that entitles**
488 **the customer to exclusive or priority use of a communications channel or group of channels**
489 **between or among termination points, regardless of the manner in which such channel or**
490 **channels are connected, and includes switching capacity, extension lines, stations, and any**
491 **other associated services that are provided in connection with the use of such channel or**
492 **channels;**
493 **(71) "Product-based exemption", an exemption based on the description of the**
494 **product and not based on who purchases the product or how the purchaser intends to use**
495 **the product;**
496 **(72) "Product which is intended to be sold ultimately for final use or consumption",**
497 **tangible personal property, or any service that is subject to state or local sales or use taxes,**
498 **or any tax that is substantially equivalent to these taxes, in this state or any other state;**
499 **(73) "Prosthetic device", a replacement, corrective, or supportive device including**
500 **repair and replacement parts for same worn on or in the body to artificially replace a**
501 **missing portion of the body, prevent or correct physical deformity or malfunction, or**
502 **support a weak or deformed portion of the body. The term "prosthetic device" shall not**
503 **include corrective eyeglasses or contact lenses and shall be limited to the classification of**
504 **devices eligible for MO HealthNet and Medicare reimbursement;**
505 **(74) "Protective equipment", items for human wear and designed as protection of**
506 **the wearer against injury or disease or as protections against damage or injury of other**
507 **persons or property but not suitable for general use. Protective equipment are mutually**
508 **exclusive of clothing, clothing accessories or equipment, and sport or recreational**
509 **equipment;**
510 **(75) "Purchase", the acquisition of the ownership of, or title to, tangible personal**
511 **property, through a sale, as defined herein, for the purpose of storage, use or consumption**
512 **in this state;**
513 **(76) "Purchase price", applies to the measure subject to use tax and has the same**
514 **meaning as sales price;**

515 **(77)** "Purchaser" **[**means**] ,** a person **[**who purchases tangible**] to whom a sale of**
516 personal property **is made** or to whom **[**are rendered services, receipts from which are taxable
517 under sections 144.010 to 144.525**] a service is furnished**;
518 **[**(9)**] (78) "Qualified light aircraft purchaser", a purchaser of a light aircraft, light**
519 **aircraft kit, light aircraft parts or components who is a nonresident of this state, who will**
520 **transport the light aircraft, light aircraft kit, light aircraft parts or components outside this**
521 **state within ten days after the date of purchase, and who will register any light aircraft so**
522 **purchased in another state or country. Such purchaser shall not base such aircraft in this**
523 **state and such purchaser shall not be a resident of the state unless such purchaser has paid**
524 **sales or use tax on such aircraft in another state;**
525 **(79) "Receive" or "receipt", taking possession of tangible personal property;**
526 **making first use of services; or taking possession or making first use of digital goods,**
527 **whichever comes first. Receive and receipt shall not include possession by a shipping**
528 **company on behalf of the purchaser;**
529 **(80) "Registered under the agreement", registration by a seller with the member**
530 **states under the central registration system provided in Article IV of the agreement;**
531 **(81)** "Research or experimentation activities" are the development of an experimental
532 or pilot model, plant process, formula, invention or similar property, and the improvement of
533 existing property of such type. Research or experimentation activities do not include activities
534 such as ordinary testing or inspection of materials or products for quality control, efficiency
535 surveys, advertising promotions or research in connection with literary, historical or similar
536 projects;
537 **[**(10) "Sale" or "sales" includes installment and credit sales, and the exchange of
538 properties as well as the sale thereof for money, every closed transaction constituting a sale, and
539 means any transfer, exchange or barter, conditional or otherwise, in any manner or by any means
540 whatsoever, of tangible personal property for valuable consideration and the rendering,
541 furnishing or selling for a valuable consideration any of the substances, things and services
542 herein designated and defined as taxable under the terms of sections 144.010 to 144.525;
543 (11)**] (82)** "Sale at retail" **[**means any transfer made by any person engaged in business
544 as defined herein of the ownership of, or title to, tangible personal property to the purchaser, for
545 use or consumption and not for resale in any form as tangible personal property, for a valuable
546 consideration; except that, for the purposes of sections 144.010 to 144.525 and the tax imposed
547 thereby: (i) purchases of tangible personal property made by duly licensed physicians, dentists,
548 optometrists and veterinarians and used in the practice of their professions shall be deemed to
549 be purchases for use or consumption and not for resale; and (ii) the selling of computer printouts,
550 computer output or microfilm or microfiche and computer-assisted photo compositions to a

purchaser to enable the purchaser to obtain for his or her own use the desired information contained in such computer printouts, computer output on microfilm or microfiche and computer-assisted photo compositions shall be considered as the sale of a service and not as the sale of tangible personal property**] or "retail sale", any sale, lease, or rental for any purpose other than for resale, sublease, or subrent. Purchases of tangible personal property made by duly licensed physicians, dentists, optometrists, and veterinarians and used in the practice of their professions shall be deemed to be purchases for use or consumption and not for resale**. Where necessary to conform to the context of sections 144.010 to 144.525 and the tax imposed thereby, the term "sale at retail" shall be construed to embrace:

(a) Sales of admission tickets, cash admissions, charges and fees to or in places of amusement, entertainment and recreation, games and athletic events;

(b) Sales of electricity, electrical current, water and gas, natural or artificial, to domestic, commercial or industrial consumers;

(c) Sales of local and long distance telecommunications service to telecommunications subscribers and to others through equipment of telecommunications subscribers for the transmission of messages and conversations, and the sale, rental or leasing of all equipment or services pertaining or incidental thereto;

(d) Sales of service for transmission of messages by telegraph companies;

(e) Sales or charges for all rooms, meals and drinks furnished at any hotel, motel, tavern, inn, restaurant, eating house, drugstore, dining car, tourist camp, tourist cabin, or other place in which rooms, meals or drinks are regularly served to the public;

(f) Sales of tickets by every person operating a railroad, sleeping car, dining car, express car, boat, airplane, and such buses and trucks as are licensed by the division of motor carrier and railroad safety of the department of economic development of Missouri, engaged in the transportation of persons for hire;

(83) "School art supply":

(a) An item commonly used by a student in a course of study for artwork. The term is mutually exclusive of the terms school supply, school instructional material, and school computer supply;

(b) The following is an all-inclusive list:

a. Clay and glazes;

b. Paints, acrylic, tempora, and oil;

c. Paintbrushes for artwork;

d. Sketch and drawing pads; and

e. Watercolors;

(84) "School computer supply":

(a) An item commonly used by a student in a course of study in which a computer is used. The term is mutually exclusive of the terms school supply, school art supply, and school instructional material;

(b) The following is an all-inclusive list:

a. Computer storage media, diskettes, compact disks;

b. Handheld electronic schedulers, except devices that are cellular phones;

c. Personal digital assistants, except devices that are cellular phones; and

d. Computer printers and printer supplies for computers, printer paper, and printer ink;

(85) "School instructional material":

(a) Written material commonly used by a student in a course of study as a reference and to learn the subject being taught. The term is mutually exclusive of the terms school supply, school art supply, and school computer supply;

(b) The following is an all-inclusive list:

a. Reference books;

b. Reference maps and globes;

c. Textbooks; and

d. Workbooks;

(86) "School supply":

(a) An item commonly used by a student in a course of study. The term is mutually exclusive of the terms school art supply, school instructional material, and school computer supply;

(b) The following is an all-inclusive list:

a. Binders;

b. Book bags;

c. Calculators;

d. Cellophane tape;

e. Blackboard chalk;

f. Compasses;

g. Composition books;

h. Crayons;

i. Erasers;

j. Folders, expandable, pocket, plastic, and manila;

k. Glue, paste, and paste sticks;

l. Highlighters;

m. Index cards;

n. Index card boxes;

o. Legal pads;

p. Lunch boxes;

q. Markers;

r. Notebooks;

s. Paper, loose leaf notebook paper, copy paper, graph paper, tracing paper, manila paper, colored paper, poster board, and construction paper;

t. Pencil boxes and other school supply boxes;

u. Pencil sharpeners;

w. Pencils;

x. Pens;

y. Protractors;

z. Rulers;

aa. Scissors; and

bb. Writing tablets;

[(12)**] (87)** "Seller" means a person **[**selling or furnishing tangible**] making sales, leases, or rentals of** personal property or **[**rendering services, on the receipts from which a tax is imposed pursuant to section 144.020**] service**;

(88) "Selling agent", every person acting as a representative of a principal, when such principal is not registered with the director of revenue of the state of Missouri for the collection of the taxes imposed under this chapter and who receives compensation by reason of the sale of tangible personal property of the principal, if such property is to be stored, used, or consumed in this state;

(89) "Service address":

(a) The location of the telecommunications equipment to which a customer's call is charged and from which the call originates or terminates, regardless of where the call is billed or paid;

(b) If the location in paragraph (a) of this subdivision is not known, "service address" means the origination point of the signal of the telecommunications services first identified by either the seller's telecommunications system or in information received by the seller from its service provider, where the system used to transport such signals is not that of the seller;

(c) If the location in paragraphs (a) and (b) of this subdivision are not known, the service address shall be the location of the customer's place of primary use;

(90) "Specified digital products", electronically transferred digital audio-visual works, digital audio works, and digital books;

659 **(91) "Sport or recreational equipment", items designed for human use and worn**
660 **in conjunction with an athletic or recreational activity that are not suitable for general use.**
661 **Sport or recreational equipment are mutually exclusive of clothing, clothing accessories or**
662 **equipment, and protective equipment;**
663 **(92) "State", any state of the United States, the District of Columbia, and the**
664 **Commonwealth of Puerto Rico;**
665 **(93) "Storage", any keeping or retention in this state of tangible personal property**
666 **purchased from a vendor, except property for sale or property that is temporarily kept or**
667 **retained in this state for subsequent use outside the state;**
668 **(94) "Tangible personal property", personal property that can be seen, weighed,**
669 **measured, felt, or touched, or that is in any other manner perceptible to the senses.**
670 **Tangible personal property shall include electricity, water, gas, steam, and prewritten**
671 **computer software. Tangible personal property shall not include specified digital**
672 **products, digital audio-visual works, digital audio works, or digital books;**
673 **[**(13) The noun**] (95)** "Tax" **[**means**] ,** either the tax payable by the purchaser of a
674 commodity or service subject to tax, or the aggregate amount of taxes due from the vendor of
675 such commodities or services during the period for which he or she is required to report his or
676 her collections, as the context may require;
677 **(96) "Taxpayer", any person remitting the tax or who should remit the tax levied**
678 **by this chapter;**
679 **(97) "Telecommunications nonrecurring charges", an amount billed for the**
680 **installation, connection, change or initiation of telecommunications service received by the**
681 **customer;**
682 **[**(14)**] (98)** "Telecommunications service"**[**, for the purpose of this chapter, the
683 transmission of information by wire, radio, optical cable, coaxial cable, electronic impulses, or
684 other similar means. As used in this definition, "information" means knowledge or intelligence
685 represented by any form of writing, signs, signals, pictures, sounds, or any other symbols.
686 Telecommunications service does not include the following if such services are separately stated
687 on the customer's bill or on records of the seller maintained in the ordinary course of business:
688 (a) Access to the internet, access to interactive computer services or electronic publishing
689 services, except the amount paid for the telecommunications service used to provide such access;
690 (b) Answering services and one-way paging services;
691 (c) Private mobile radio services which are not two-way commercial mobile radio
692 services such as wireless telephone, personal communications services or enhanced specialized
693 mobile radio services as defined pursuant to federal law; or
694 (d) Cable or satellite television or music services; and

695 (15) "Product which is intended to be sold ultimately for final use or consumption"
696 means tangible personal property, or any service that is subject to state or local sales or use taxes,
697 or any tax that is substantially equivalent thereto, in this state or any other state.**] :**
698 **(a) The electronic transmission, conveyance, or routing of voice, data, audio, video,**
699 **or any other information or signals to a point, or between or among points;**
700 **(b) Telecommunications service shall include such transmission, conveyance, or**
701 **routing in which computer processing applications are used to act on the form, code, or**
702 **protocol of the content for purposes of transmission, conveyance, or routing without regard**
703 **to whether such service is referred to as voice over internet protocol services or is classified**
704 **by the Federal Communications Commission as enhanced or value added;**
705 **(c) Telecommunications service shall include air-to-ground radiotelephone service,**
706 **mobile telecommunications service, post-paid calling service, prepaid calling service,**
707 **prepaid wireless calling service, and private communication service;**
708 **(d) Telecommunications service shall not include:**
709 **a. Data processing and information services that allow data to be generated,**
710 **acquired, stored, processed, or retrieved and delivered by an electronic transmission to a**
711 **purchaser where such purchaser's primary purpose for the underlying transaction is the**
712 **processed data or information;**
713 **b. Installation or maintenance of wiring or equipment on a customer's premises;**
714 **c. Tangible personal property;**
715 **d. Advertising, including but not limited to directory advertising;**
716 **e. Billing and collection services provided to third parties;**
717 **f. Internet access service;**
718 **g. Radio and television audio and video programming services, regardless of the**
719 **medium, including the furnishing of transmission, conveyance, and routing of such services**
720 **by the programming service provider. Radio and television audio and video programming**
721 **services shall include but not be limited to cable service, as defined in 47 U.S.C. Section**
722 **522(6), and audio and video programming services delivered by commercial mobile radio**
723 **service providers, as defined in 47 CFR 20.3;**
724 **h. Ancillary services; or**
725 **i. Digital products delivered electronically, including, but not limited to, software,**
726 **music, video, reading materials, or ring tones;**
727 **(99) "Transportation equipment", any of the following:**
728 **(a) Locomotives and railcars that are utilized for the carriage of persons or**
729 **property in interstate commerce;**

730 **(b) Trucks and truck-tractors with a gross vehicle weight rating (GVWR) of ten**
731 **thousand one pounds or greater, trailers, semitrailers, or passenger buses that are:**
732 **a. Registered through the International Registration Plan; and**
733 **b. Operated under authority of a carrier authorized and certificated by the United**
734 **States Department of Transportation or another federal authority to engage in the carriage**
735 **of persons or property in interstate commerce;**
736 **(c) Aircraft that are operated by air carriers authorized and certificated by the**
737 **United States Department of Transportation or another federal or a foreign authority to**
738 **engage in the carriage of persons or property in interstate or foreign commerce;**
739 **(d) Containers designed for use on and component parts attached or secured on the**
740 **items set forth in paragraphs (a) to (c) of this subdivision;**
741 **(100) "Tobacco", cigarettes, cigars, chewing or pipe tobacco, or any other item that**
742 **contains tobacco;**
743 **(101) "Use", the exercise of any right or power over tangible personal property**
744 **incident to the ownership or control of that property, except that it does not include the**
745 **temporary storage of property in this state for subsequent use outside the state, or the sale**
746 **of the property in the regular course of business;**
747 **(102) "Use-based exemption", an exemption based on a specified use of the product**
748 **by the purchaser;**
749 **(103) "Vendor", every person engaged in making sales of tangible personal**
750 **property by mail order, by advertising, by agent or peddling tangible personal property,**
751 **soliciting or taking orders for sales of tangible personal property, for storage, use or**
752 **consumption in this state, all salesmen, solicitors, hawkers, representatives, consignees,**
753 **peddlers or canvassers, as agents of the dealers, distributors, consignors, supervisors,**
754 **principals or employers under whom they operate or from whom they obtain the tangible**
755 **personal property sold by them, and every person who maintains a place of business in this**
756 **state, maintains a stock of goods in this state, or engages in business activities within this**
757 **state and every person who engages in this state in the business of acting as a selling agent**
758 **for persons not otherwise vendors as defined in this subdivision. Irrespective of whether**
759 **they are making sales on their own behalf or on behalf of the dealers, distributors,**
760 **consignors, supervisors, principals or employers, they must be regarded as vendors and**
761 **the dealers, distributors, consignors, supervisors, principals or employers must be**
762 **regarded as vendors for the purposes of sections 144.600 to 144.745. A person shall not be**
763 **considered a vendor for the purposes of sections 144.600 to 144.745 if all of the following**
764 **apply:**

765 **(a) The person's total gross receipts did not exceed five hundred thousand dollars**
766 **in this state, or twelve and one-half million dollars in the entire United States, in the**
767 **immediately preceding calendar year;**
768 **(b) The person maintains no place of business in this state; and**
769 **(c) The person has no selling agents in this state.**
770 2. For purposes of the taxes imposed under sections 144.010 to 144.525, and any other
771 provisions of law pertaining to sales or use taxes which incorporate the provisions of sections
772 144.010 to 144.525 by reference, the term "manufactured homes" shall have the same meaning
773 given it in section 700.010.
774 3. Sections 144.010 to 144.525 may be known and quoted as the "Sales Tax Law".

144.014. 1. Notwithstanding other provisions of law to the contrary, beginning October
2 1, 1997, the tax levied and imposed pursuant to sections 144.010 to 144.525 and sections
3 144.600 to 144.746 on all retail sales of food **and food ingredients** shall be at the rate of one
4 percent. The revenue derived from the one percent rate pursuant to this section shall be
5 deposited by the state treasurer in the school district trust fund and shall be distributed as
6 provided in section 144.701.
7 2. **[**For the purposes of this section, the term "food" shall include only those products and
8 types of food for which food stamps may be redeemed pursuant to the provisions of the Federal
9 Food Stamp Program as contained in 7 U.S.C. Section 2012, as that section now reads or as it
10 may be amended hereafter, and shall include food dispensed by or through vending machines.
11 For the purpose of this section,**]** Except for **food sold through** vending **[**machine sales, the term
12 "food"**] machines, subsection 1 of this section** shall not **[**include**] apply to** food or drink sold
13 by any establishment where the gross receipts derived from the sale of food prepared by such
14 establishment for immediate consumption on or off the premises of the establishment constitutes
15 more than eighty percent of the total gross receipts of that establishment, regardless of whether
16 such prepared food is consumed on the premises of that establishment, including, but not limited
17 to, sales of food by any restaurant, fast food restaurant, delicatessen, eating house, or café.

144.020. 1. A tax is hereby levied and imposed upon all sellers for the privilege of
2 engaging in the business of selling tangible personal property or rendering taxable service at
3 retail in this state. The rate of tax shall be as follows:
4 (1) Upon every retail sale in this state of tangible personal property, including but not
5 limited to motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats and outboard
6 motors, a tax equivalent to four percent of the purchase price paid or charged, or in case such sale
7 involves the exchange of property, a tax equivalent to four percent of the consideration paid or
8 charged, including the fair market value of the property exchanged at the time and place of the
9 exchange, except as otherwise provided in section 144.025;

10 (2) A tax equivalent to four percent of the amount paid for admission and seating
11 accommodations, or fees paid to, or in any place of amusement, entertainment or recreation,
12 games and athletic events;
13 (3) A tax equivalent to four percent of the basic rate paid or charged on all sales of
14 electricity or electrical current, water and gas, natural or artificial, to domestic, commercial or
15 industrial consumers;
16 (4) A tax equivalent to four percent on the basic rate paid or charged on all sales of local
17 and long distance telecommunications service to telecommunications subscribers and to others
18 through equipment of telecommunications subscribers for the transmission of messages and
19 conversations and upon the sale, rental or leasing of all equipment or services pertaining or
20 incidental thereto; except that, the payment made by telecommunications subscribers or others,
21 pursuant to section 144.060, and any amounts paid for access to the internet or interactive
22 computer services shall not be considered as amounts paid for telecommunications services;
23 (5) A tax equivalent to four percent of the basic rate paid or charged for all sales of
24 services for transmission of messages of telegraph companies;
25 (6) A tax equivalent to four percent on the amount of sales or charges for all rooms,
26 meals and drinks furnished at any hotel, motel, tavern, inn, restaurant, eating house, drugstore,
27 dining car, tourist cabin, tourist camp or other place in which rooms, meals or drinks are
28 regularly served to the public;
29 (7) A tax equivalent to four percent of the amount paid or charged for intrastate tickets
30 by every person operating a railroad, sleeping car, dining car, express car, boat, airplane and such
31 buses and trucks as are licensed by the division of motor carrier and railroad safety of the
32 department of economic development of Missouri, engaged in the transportation of persons for
33 hire;
34 (8) A tax equivalent to four percent of the amount paid or charged for rental or lease of
35 tangible personal property, provided that if the lessor or renter of any tangible personal property
36 had previously purchased the property under the conditions of "sale at retail" or leased or rented
37 the property and the tax was paid at the time of purchase, lease or rental, the lessor, sublessor,
38 renter or subrenter shall not apply or collect the tax on the subsequent lease, sublease, rental or
39 subrental receipts from that property. The purchase, rental or lease of motor vehicles, trailers,
40 motorcycles, mopeds, motortricycles, boats, and outboard motors shall be taxed and the tax paid
41 as provided in this section and section 144.070. In no event shall the rental or lease of boats and
42 outboard motors be considered a sale, charge, or fee to, for or in places of amusement,
43 entertainment or recreation nor shall any such rental or lease be subject to any tax imposed to,
44 for, or in such places of amusement, entertainment or recreation. Rental and leased boats or
45 outboard motors shall be taxed under the provisions of the sales tax laws as provided under such

46 laws for motor vehicles and trailers. Tangible personal property which is exempt from the sales
47 or use tax under section 144.030 upon a sale thereof is likewise exempt from the sales or use tax
48 upon the lease or rental thereof.
49 2. All tickets sold which are sold under the provisions of sections 144.010 to 144.525
50 which are subject to the sales tax shall have printed, stamped or otherwise endorsed thereon, the
51 words "This ticket is subject to a sales tax.".
52 **3. Beginning January 1, 2015, in addition to the tax imposed under subsection 1 of**
53 **this section, a tax is hereby levied and imposed upon all sellers for the privilege of engaging**
54 **in the business of selling tangible personal property or rendering taxable service at retail**
55 **in this state. The additional rate of tax shall be one-fourth of one percent, and revenues**
56 **from such additional tax shall be deposited in the state general revenue fund.**

144.022. 1. In the case of a bundled transaction that includes any of the following:
2 **telecommunication service, ancillary service, internet access, or audio or video**
3 **programming service:**
4 **(1) If the price is attributable to products that are taxable and products that are**
5 **nontaxable, the portion of the price attributable to the nontaxable products may be subject**
6 **to tax unless the provider can identify by reasonable and verifiable standards such portion**
7 **from its books and records that are kept in the regular course of business for other**
8 **purposes, including, but not limited to, nontax purposes;**
9 **(2) If the price is attributable to products that are subject to tax at different tax**
10 **rates, the total price shall be treated as attributable to the products subject to tax at the**
11 **highest tax rate unless the provider can identify by reasonable and verifiable standards the**
12 **portion of the price attributable to the products subject to tax at the lower rate from its**
13 **books and records that are kept in the regular course of business for other purposes,**
14 **including, but not limited to, nontax purposes;**
15 **(3) The provisions of this section shall apply unless otherwise provided by federal**
16 **law.**
17 **2. In the case of a transaction that includes an optional computer software**
18 **maintenance contract for prewritten computer software, the following provisions apply:**
19 **(1) If an optional computer software maintenance contract only obligates the**
20 **vendor to provide upgrades and updates, it shall be characterized as a sale of prewritten**
21 **computer software;**
22 **(2) If an optional computer software maintenance contract only obligates the**
23 **vendor to provide support services, it shall be characterized as a sale of services and not**
24 **a sale of tangible personal property;**

(3) If an optional computer software maintenance contract is a bundled transaction in which both taxable and nontaxable or exempt products that are not separately itemized on the invoice or similar billing document, the purchase price under the contract shall be taxable.

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

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

(1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of such excise tax is refunded pursuant to section 142.824; or upon the sale at retail of fuel to be consumed in manufacturing or creating gas, power, steam, electrical current or in furnishing water to be sold ultimately at retail; or feed for livestock or poultry; or grain to be converted into foodstuffs which are to be sold ultimately in processed form at retail; or seed, limestone or fertilizer which is to be used for seeding, liming or fertilizing crops which when harvested will be sold at retail or will be fed to livestock or poultry to be sold ultimately in processed form at retail; economic poisons registered pursuant to the provisions of the Missouri pesticide registration law (sections 281.220 to 281.310) which are to be used in connection with the growth or production of crops, fruit trees or orchards applied before, during, or after planting, the crop of which when harvested will be sold at retail or will be converted into foodstuffs which are to be sold ultimately in processed form at retail;

(2) Materials, manufactured goods, machinery and parts which when used in manufacturing, processing, compounding, mining, producing or fabricating become a component part or ingredient of the new personal property resulting from such manufacturing, processing, compounding, mining, producing or fabricating and which new personal property is intended to be sold ultimately for final use or consumption; and materials, including without limitation, gases and manufactured goods, including without limitation slagging materials and firebrick, which are ultimately consumed in the manufacturing process by blending, reacting or interacting

33 with or by becoming, in whole or in part, component parts or ingredients of steel products
34 intended to be sold ultimately for final use or consumption;
35 (3) Materials, replacement parts and equipment purchased for use directly upon, and for
36 the repair and maintenance or manufacture of, motor vehicles, watercraft, railroad rolling stock
37 or aircraft engaged as common carriers of persons or property;
38 (4) Replacement machinery, equipment, and parts and the materials and supplies solely
39 required for the installation or construction of such replacement machinery, equipment, and
40 parts, used directly in manufacturing, mining, fabricating or producing a product which is
41 intended to be sold ultimately for final use or consumption; and machinery and equipment, and
42 the materials and supplies required solely for the operation, installation or construction of such
43 machinery and equipment, purchased and used to establish new, or to replace or expand existing,
44 material recovery processing plants in this state. For the purposes of this subdivision, a "material
45 recovery processing plant" means a facility that has as its primary purpose the recovery of
46 materials into a useable product or a different form which is used in producing a new product and
47 shall include a facility or equipment which are used exclusively for the collection of recovered
48 materials for delivery to a material recovery processing plant but shall not include motor vehicles
49 used on highways. For purposes of this section, the terms motor vehicle and highway shall have
50 the same meaning pursuant to section 301.010. Material recovery is not the reuse of materials
51 within a manufacturing process or the use of a product previously recovered. The material
52 recovery processing plant shall qualify under the provisions of this section regardless of
53 ownership of the material being recovered;
54 (5) Machinery and equipment, and parts and the materials and supplies solely required
55 for the installation or construction of such machinery and equipment, purchased and used to
56 establish new or to expand existing manufacturing, mining or fabricating plants in the state if
57 such machinery and equipment is used directly in manufacturing, mining or fabricating a product
58 which is intended to be sold ultimately for final use or consumption;
59 (6) Tangible personal property which is used exclusively in the manufacturing,
60 processing, modification or assembling of products sold to the United States government or to
61 any agency of the United States government;
62 (7) Animals or poultry used for breeding or feeding purposes, or captive wildlife;
63 (8) Newsprint, ink, computers, photosensitive paper and film, toner, printing plates and
64 other machinery, equipment, replacement parts and supplies used in producing newspapers
65 published for dissemination of news to the general public;
66 (9) The rentals of films, records or any type of sound or picture transcriptions for public
67 commercial display;

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

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

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

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

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

(15) Machinery, equipment, appliances and devices purchased or leased and used solely for the purpose of preventing, abating or monitoring water pollution, and materials and supplies solely required for the installation, construction or reconstruction of such machinery, equipment, appliances and devices;

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

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

(18) All sales of **[**insulin and prosthetic or orthopedic devices as defined on January 1, 1980, by the federal Medicare program pursuant to Title XVIII of the Social Security Act of 1965, including the items specified in Section 1862(a)(12) of that act, and also specifically including hearing aids and hearing aid supplies and all sales of drugs which may be legally dispensed by a licensed pharmacist only upon a lawful prescription of a practitioner licensed to administer those items, including samples and materials used to manufacture samples which may be dispensed by a practitioner authorized to dispense such samples and all sales or rental of medical oxygen, home respiratory equipment and accessories, hospital beds and accessories and ambulatory aids, all sales or rental of manual and powered wheelchairs, stairway lifts, Braille writers, electronic Braille equipment and, if purchased or rented by or on behalf of a person with one or more physical or mental disabilities to enable them to function more independently, all sales or rental of scooters, reading machines, electronic print enlargers and magnifiers, electronic alternative and augmentative communication devices, and items used solely to modify motor vehicles to permit the use of such motor vehicles by individuals with disabilities or sales of**]** over-the-counter **[**or nonprescription**]** drugs to individuals with disabilities **and all sales of drugs, durable medical equipment, prosthetic devices, and mobility enhancing equipment**, and drugs required by the Food and Drug Administration to meet the over-the-counter drug product labeling requirements in 21 CFR 201.66, or its successor, as prescribed by a health care practitioner licensed to prescribe;

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

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

(21) All ticket sales made by benevolent, scientific and educational associations which are formed to foster, encourage, and promote progress and improvement in the science of agriculture and in the raising and breeding of animals, and by nonprofit summer theater organizations if such organizations are exempt from federal tax pursuant to the provisions of the

139 Internal Revenue Code and all admission charges and entry fees to the Missouri state fair or any
140 fair conducted by a county agricultural and mechanical society organized and operated pursuant
141 to sections 262.290 to 262.530;
142 (22) All sales made to any private not-for-profit elementary or secondary school, all sales
143 of feed additives, medications or vaccines administered to livestock or poultry in the production
144 of food or fiber, all sales of pesticides used in the production of crops, livestock or poultry for
145 food or fiber, all sales of bedding used in the production of livestock or poultry for food or fiber,
146 all sales of propane or natural gas, electricity or diesel fuel used exclusively for drying
147 agricultural crops, natural gas used in the primary manufacture or processing of fuel ethanol as
148 defined in section 142.028, natural gas, propane, and electricity used by an eligible new
149 generation cooperative or an eligible new generation processing entity as defined in section
150 348.432, and all sales of farm machinery and equipment, other than airplanes, motor vehicles and
151 trailers, and any freight charges on any exempt item. As used in this subdivision, the term "feed
152 additives" means tangible personal property which, when mixed with feed for livestock or
153 poultry, is to be used in the feeding of livestock or poultry. As used in this subdivision, the term
154 "pesticides" includes adjuvants such as crop oils, surfactants, wetting agents and other assorted
155 pesticide carriers used to improve or enhance the effect of a pesticide and the foam used to mark
156 the application of pesticides and herbicides for the production of crops, livestock or poultry. As
157 used in this subdivision, the term "farm machinery and equipment" means new or used farm
158 tractors and such other new or used farm machinery and equipment and repair or replacement
159 parts thereon and any accessories for and upgrades to such farm machinery and equipment, rotary
160 mowers used exclusively for agricultural purposes, and supplies and lubricants used exclusively,
161 solely, and directly for producing crops, raising and feeding livestock, fish, poultry, pheasants,
162 chukar, quail, or for producing milk for ultimate sale at retail, including field drain tile, and
163 one-half of each purchaser's purchase of diesel fuel therefor which is:
164 (a) Used exclusively for agricultural purposes;
165 (b) Used on land owned or leased for the purpose of producing farm products; and
166 (c) Used directly in producing farm products to be sold ultimately in processed form or
167 otherwise at retail or in producing farm products to be fed to livestock or poultry to be sold
168 ultimately in processed form at retail;
169 (23) Except as otherwise provided in section 144.032, all sales of metered water service,
170 electricity, **[**electrical current, natural, artificial or propane gas, wood, coal or home heating oil**]**
171 **piped natural or artificial gas, or other fuels delivered by the seller** for domestic use **[**and
172 in any city not within a county, all sales of metered or unmetered water service for domestic use**]**:
173 (a) "Domestic use" means that portion of metered water service, electricity, **[**electrical
174 current, natural, artificial or propane gas, wood, coal or home heating oil, and in any city not

175 within a county, metered or unmetered water service,**] piped natural or artificial gas, or other**
176 **fuels delivered by the seller** which an individual occupant of a residential premises uses for
177 nonbusiness, noncommercial or nonindustrial purposes. Utility service through a single or
178 master meter for residential apartments or condominiums, including service for common areas
179 and facilities and vacant units, shall be deemed to be for domestic use. Each seller shall establish
180 and maintain a system whereby individual purchases are determined as exempt or nonexempt;
181 (b) Regulated utility sellers shall determine whether individual purchases are exempt or
182 nonexempt based upon the seller's utility service rate classifications as contained in tariffs on file
183 with and approved by the Missouri public service commission. Sales and purchases made
184 pursuant to the rate classification "residential" and sales to and purchases made by or on behalf
185 of the occupants of residential apartments or condominiums through a single or master meter,
186 including service for common areas and facilities and vacant units, shall be considered as sales
187 made for domestic use and such sales shall be exempt from sales tax. Sellers shall charge sales
188 tax upon the entire amount of purchases classified as nondomestic use. The seller's utility
189 service rate classification and the provision of service thereunder shall be conclusive as to
190 whether or not the utility must charge sales tax;
191 (c) Each person making domestic use purchases of **[**services or property**] electricity,**
192 **piped natural or artificial gas, or other fuels delivered by the seller** and who uses any portion
193 of the services or property so purchased for a nondomestic use shall, by the fifteenth day of the
194 fourth month following the year of purchase, and without assessment, notice or demand, file a
195 return and pay sales tax on that portion of nondomestic purchases. Each person making
196 nondomestic purchases of **[**services or property**] electricity, piped natural or artificial gas, or**
197 **other fuels delivered by the seller** and who uses any portion of the **[**services or property**]**
198 **electricity, piped natural or artificial gas, or other fuels delivered by the seller** so purchased
199 for domestic use, and each person making domestic purchases on behalf of occupants of
200 residential apartments or condominiums through a single or master meter, including service for
201 common areas and facilities and vacant units, under a nonresidential utility service rate
202 classification may, between the first day of the first month and the fifteenth day of the fourth
203 month following the year of purchase, apply for credit or refund to the director of revenue and
204 the director shall give credit or make refund for taxes paid on the domestic use portion of the
205 purchase. The person making such purchases on behalf of occupants of residential apartments
206 or condominiums shall have standing to apply to the director of revenue for such credit or refund;
207 (24) All sales of handicraft items made by the seller or the seller's spouse if the seller or
208 the seller's spouse is at least sixty-five years of age, and if the total gross proceeds from such
209 sales do not constitute a majority of the annual gross income of the seller;

210 (25) Excise taxes, collected on sales at retail, imposed by Sections 4041, **[**4061,**]** 4071,
211 4081, **[**4091,**]** 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director
212 of revenue shall promulgate rules pursuant to chapter 536 to eliminate all state and local sales
213 taxes on such excise taxes;
214 (26) Sales of fuel consumed or used in the operation of ships, barges, or waterborne
215 vessels which are used primarily in or for the transportation of property or cargo, or the
216 conveyance of persons for hire, on navigable rivers bordering on or located in part in this state,
217 if such fuel is delivered by the seller to the purchaser's barge, ship, or waterborne vessel while
218 it is afloat upon such river;
219 (27) All sales made to an interstate compact agency created pursuant to sections 70.370
220 to 70.441 or sections 238.010 to 238.100 in the exercise of the functions and activities of such
221 agency as provided pursuant to the compact;
222 (28) Computers, computer software and computer security systems purchased for use
223 by architectural or engineering firms headquartered in this state. For the purposes of this
224 subdivision, "headquartered in this state" means the office for the administrative management
225 of at least four integrated facilities operated by the taxpayer is located in the state of Missouri;
226 (29) All livestock sales when either the seller is engaged in the growing, producing or
227 feeding of such livestock, or the seller is engaged in the business of buying and selling, bartering
228 or leasing of such livestock;
229 (30) All sales of barges which are to be used primarily in the transportation of property
230 or cargo on interstate waterways;
231 (31) Electrical energy or gas, whether natural, artificial or propane, water, or other
232 utilities which are ultimately consumed in connection with the manufacturing of cellular glass
233 products or in any material recovery processing plant as defined in subdivision (4) of this
234 subsection;
235 (32) Notwithstanding other provisions of law to the contrary, all sales of pesticides or
236 herbicides used in the production of crops, aquaculture, livestock or poultry;
237 (33) Tangible personal property and utilities purchased for use or consumption directly
238 or exclusively in the research and development of agricultural/biotechnology and plant genomics
239 products and prescription pharmaceuticals consumed by humans or animals;
240 (34) All sales of grain bins for storage of grain for resale;
241 (35) All sales of feed which are developed for and used in the feeding of pets owned by
242 a commercial breeder when such sales are made to a commercial breeder, as defined in section
243 273.325, and licensed pursuant to sections 273.325 to 273.357;
244 (36) All purchases by a contractor on behalf of an entity located in another state,
245 provided that the entity is authorized to issue a certificate of exemption for purchases to a

246 contractor under the provisions of that state's laws. For purposes of this subdivision, the term
247 "certificate of exemption" shall mean any document evidencing that the entity is exempt from
248 sales and use taxes on purchases pursuant to the laws of the state in which the entity is located.
249 Any contractor making purchases on behalf of such entity shall maintain a copy of the entity's
250 exemption certificate as evidence of the exemption. If the exemption certificate issued by the
251 exempt entity to the contractor is later determined by the director of revenue to be invalid for any
252 reason and the contractor has accepted the certificate in good faith, neither the contractor or the
253 exempt entity shall be liable for the payment of any taxes, interest and penalty due as the result
254 of use of the invalid exemption certificate. Materials shall be exempt from all state and local
255 sales and use taxes when purchased by a contractor for the purpose of fabricating tangible
256 personal property which is used in fulfilling a contract for the purpose of constructing, repairing
257 or remodeling facilities for the following:
258 (a) An exempt entity located in this state, if the entity is one of those entities able to issue
259 project exemption certificates in accordance with the provisions of section 144.062; or
260 (b) An exempt entity located outside the state if the exempt entity is authorized to issue
261 an exemption certificate to contractors in accordance with the provisions of that state's law and
262 the applicable provisions of this section;
263 (37) All sales or other transfers of tangible personal property to a lessor who leases the
264 property under a lease of one year or longer executed or in effect at the time of the sale or other
265 transfer to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections
266 238.010 to 238.100;
267 (38) Sales of tickets to any collegiate athletic championship event that is held in a facility
268 owned or operated by a governmental authority or commission, a quasi-governmental agency,
269 a state university or college or by the state or any political subdivision thereof, including a
270 municipality, and that is played on a neutral site and may reasonably be played at a site located
271 outside the state of Missouri. For purposes of this subdivision, "neutral site" means any site that
272 is not located on the campus of a conference member institution participating in the event;
273 (39) All purchases by a sports complex authority created under section 64.920, and all
274 sales of utilities by such authority at the authority's cost that are consumed in connection with
275 the operation of a sports complex leased to a professional sports team;
276 (40) Beginning January 1, 2009, but not after January 1, 2015, materials, replacement
277 parts, and equipment purchased for use directly upon, and for the modification, replacement,
278 repair, and maintenance of aircraft, aircraft power plants, and aircraft accessories;
279 (41) Sales of sporting clays, wobble, skeet, and trap targets to any shooting range or
280 similar places of business for use in the normal course of business and money received by a

281 shooting range or similar places of business from patrons and held by a shooting range or similar
282 place of business for redistribution to patrons at the conclusion of a shooting event**;**
283 **(42) All sales of new light aircraft, light aircraft kits, light aircraft parts or**
284 **components manufactured or substantially completed within this state, when such new**
285 **light aircraft, light aircraft kits, light aircraft parts or components are sold by the**
286 **manufacturer to a qualified purchaser. The director of revenue shall prescribe the manner**
287 **for a purchaser of a light aircraft, light aircraft kit, parts or components to establish that**
288 **such person is a qualified purchaser and is eligible for the exemption established in this**
289 **section;**
290 **(43) All sales of computer printouts, computer output or microfilm or microfiche**
291 **and computer-assisted photo compositions to a purchaser to enable the purchaser to obtain**
292 **for his or her own use the desired information contained in such computer printouts,**
293 **computer output on microfilm or microfiche and computer-assisted photo compositions**.

144.032. The provisions of section 144.030 to the contrary notwithstanding, any city
2 imposing a sales tax under the provisions of sections 94.500 to 94.570, or any county imposing
3 a sales tax under the provisions of sections 66.600 to 66.635, or any county imposing a sales tax
4 under the provisions of sections 67.500 to 67.729, or any hospital district imposing a sales tax
5 under the provisions of section 205.205 may by ordinance impose a sales tax upon all sales of
6 **[**metered water services,**]** electricity, **[**electrical current and natural, artificial or propane gas,
7 wood, coal, or home heating oil**] piped natural or artificial gas, or other fuels delivered by**
8 **the seller** for domestic use only. Such tax shall be administered by the department of revenue
9 and assessed by the retailer in the same manner as any other city, county, or hospital district sales
10 tax. Domestic use shall be determined in the same manner as the determination of domestic use
11 for exemption of such sales from the state sales tax under the provisions of section 144.030.

144.040. 1. (1) All retail sales in Missouri, excluding leases and rentals, of tangible
2 **personal property or digital goods shall be sourced to the location where the order is**
3 **received by the seller.**
4 **(2) This subsection shall apply only if:**
5 **(a) The location where receipt of the product by the purchaser occurs is determined**
6 **in accordance with subsection 2 of this section; and**
7 **(b) At the time the order is received, the recordkeeping system of the seller used to**
8 **calculate the proper amount of sales or use tax to be imposed captures the location where**
9 **the order is received.**
10 **(3) When the sale is sourced under this section to the location where the order is**
11 **received by the seller, only the sales tax for the location where the order is received by the**
12 **seller may be levied. No additional sales or use tax based on the location where the product**

is delivered to the purchaser may be levied on that sale. The purchaser shall not be entitled to any refund if the combined state and local rate or rates at the location where the product is received by the purchaser is lower than the rate where the order is received by the seller.

(4) A purchaser shall have no additional liability to the state for tax, penalty or interest on a sale for which the purchaser remits tax to the seller in the amount invoiced by the seller if such invoice amount is calculated at either the rate applicable to the location where receipt by the purchaser occurs or at the rate applicable to the location where the order is received by the seller. A purchaser may rely on a written representation by the seller as to the location where the order for such sale was received by the seller. When the purchaser does not have a written representation by the seller as to the location where the order for such sale was received by the seller, the purchaser may use a location indicated by a business address for the seller that is available from the business records of the purchaser that are maintained in the ordinary course of the purchaser's business to determine the rate applicable to the location where the order was received.

(5) The location where the order is received by or on behalf of the seller means the physical location of a seller or third party such as an established outlet, office location or automated order receipt system operated by or on behalf of the seller where an order is initially received by or on behalf of the seller and not where the order may be subsequently accepted, completed or fulfilled. An order is received when all of the information from the purchaser necessary to the determination whether the order can be accepted has been received by or on behalf of the seller. The location from which a product is shipped shall not be used in determining the location where the order is received by the seller.

(6) When taxable services are sold with tangible personal property or digital products pursuant to a single contract or in the same transaction, are billed on the same billing statement or statements, and, because of the application of this section, would be sourced to different jurisdictions, this subsection shall apply to determine the source for tax.

2. Except as provided in subsection 7 of this section, when the location where the order is received by the seller and the location where the receipt of the product by the purchaser (or the purchaser's donee, designated as such by the purchaser) occurs are in different states, the retail sale, excluding lease or rental, of a product shall be sourced as follows:

(1) When the product is received by the purchaser at a business location of the seller, the sale shall be sourced to such business location;

(2) When the product is not received by the purchaser at a business location of the seller, the sale shall be sourced to the location where receipt by the purchaser (or the

purchaser's donee, designated as such by the purchaser) occurs, including the location indicated by instructions for delivery to the purchaser or donee, known to the seller;

(3) When subdivisions (1) and (2) of this subsection do not apply, the sale shall be sourced to the location indicated by an address for the purchaser that is available from the business records of the seller that are maintained in the ordinary course of the seller's business when use of this address does not constitute bad faith;

(4) When subdivisions (1), (2), and (3) of this subsection do not apply, the sale shall be sourced to the location indicated by an address for the purchaser obtained during the consummation of the sale, including the address of a purchaser's payment instrument, if no other address is available, when use of this address does not constitute bad faith;

(5) When none of the previous rules of subdivisions (1), (2), (3), and (4) of this subsection do not apply, including the circumstances in which the seller is without sufficient information to apply the previous rules, then the location will be determined by the address from which tangible personal property was shipped, from which the digital good or computer software delivered electronically was first available for transmission from the seller, or from which the service was provided (disregarding for these purposes any location that merely provided the digital transfer of the product sold).

3. Notwithstanding subsections 1 and 2 of this section, all sales of motor vehicles, trailers, semitrailers, watercraft and aircraft that do not qualify as transportation equipment shall be sourced to the address of the owner thereof.

4. The lease or rental of tangible personal property, other than property identified in subsection 2 or 3 of this section, shall be sourced as follows:

(1) For a lease or rental that requires recurring periodic payments, the first periodic payment is sourced the same as a retail sale in accordance with the provisions of subsection 1 of this section. Periodic payments made subsequent to the first payment are sourced to the primary property location for each period covered by the payment. The primary property location shall be as indicated by an address for the property provided by the lessee that is available to the lessor from its records maintained in the ordinary course of business, when use of this address does not constitute bad faith. The property location shall not be altered by intermittent use at different locations, such as use of business property that accompanies employees on business trips and service calls;

(2) For a lease or rental that does not require recurring periodic payments, the payment is sourced the same as a retail sale in accordance with the provisions of subsection 1 of this section;

(3) This subsection does not affect the imposition or computation of sales or use tax on leases or rentals based on a lump sum or accelerated basis, or on the acquisition of property for lease.

5. The lease or rental of motor vehicles, trailers, semitrailers, or aircraft that do not qualify as transportation equipment, as defined in section 144.010, shall be sourced as follows:

(1) For a lease or rental that requires recurring periodic payments, each periodic payment is sourced to the primary property location. The primary property location shall be as indicated by an address for the property provided by the lessee that is available to the lessor from its records maintained in the ordinary course of business, when use of such address does not constitute bad faith. Such location shall not be altered by intermittent use at different locations;

(2) For a lease or rental that does not require recurring periodic payments, the payment is sourced the same as a retail sale in accordance with the provisions of subsection 1 of this section;

(3) This subsection does not affect the imposition or computation of sales or use tax on leases or rentals based on a lump sum or accelerated basis, or on the acquisition of property for lease.

6. The retail sale, including lease or rental, of transportation equipment shall be sourced the same as a retail sale in accordance with the provisions of subsection 1 of this section, notwithstanding the exclusion of lease or rental in subsection 1 of this section.

7. (1) The retail sale of a product shall be sourced in accordance with this section. The provisions of this section shall apply regardless of the characterization of a product as tangible personal property, a digital good, or a service. The provisions of this section shall only apply to determine a seller's obligation to pay or collect and remit sales or use tax with respect to the seller's retail sale of a product. The provisions of this subsection shall not affect the obligation of a purchaser or lessee to remit tax on the use of the product to the taxing jurisdictions of that use.

(2) This section shall not apply to sales or use taxes levied on the following:

(a) Retail sales or transfers of watercraft, modular homes, manufactured homes, or mobile homes; and

(b) Telecommunications services and ancillary services.

144.042. 1. (1) A purchaser of advertising and promotional direct mail may provide the seller with either:

(a) A direct pay permit;

(b) An agreement certificate of exemption claiming direct mail (or other written statement approved, authorized or accepted by the state); or

(c) Information showing the jurisdictions to which the advertising and promotional direct mail is to be delivered to recipients.

(2) If the purchaser provides the permit, certificate or statement referred to in paragraph (a) or (b) of subdivision (1) of subsection 1 of this section, the seller, in the absence of bad faith, is relieved of all obligations to collect, pay, or remit any tax on any transaction involving advertising and promotional direct mail to which the permit, certificate or statement applies. The purchaser shall source the sale to the jurisdictions to which the advertising and promotional direct mail is to be delivered to the recipients and shall report and pay any applicable tax due.

(3) If the purchaser provides the seller information showing the jurisdictions to which the advertising and promotional direct mail is to be delivered to recipients, the seller shall source the sale to the jurisdictions to which the advertising and promotional direct mail is to be delivered and shall collect and remit the applicable tax. In the absence of bad faith, the seller is relieved of any further obligation to collect any additional tax on the sale of advertising and promotional direct mail where the seller has sourced the sale according to the delivery information provided by the purchaser.

(4) If the purchaser does not provide the seller with any of the items listed in paragraph (a), (b) or (c) of subdivision (1) of subsection 1 of this section, the sale shall be sourced according to subdivision (5) of subsection 2 of section 144.040. The state to which the advertising and promotional direct mail is delivered may disallow credit for tax paid on sales sourced under this subdivision.

(5) Notwithstanding section 144.040, this subsection shall apply to sales of advertising and promotional direct mail.

2. (1) Except as otherwise provided in this subsection, sales of other direct mail are sourced in accordance with subdivision (3) of subsection 2 of section 144.040.

(2) A purchaser of other direct mail may provide the seller with either:

(a) A direct pay permit; or

(b) An agreement certificate of exemption claiming direct mail (or other written statement approved, authorized or accepted by the state).

(3) If the purchaser provides the permit, certificate or statement referred to in paragraph (a) or (b) of subdivision (2) of this subsection, the seller, in the absence of bad faith, is relieved of all obligations to collect, pay or remit any tax on any transaction involving other direct mail to which the permit, certificate or statement apply. Notwithstanding subdivision (1) of this subsection, the sale shall be sourced to the

jurisdictions to which the other direct mail is to be delivered to the recipients and the purchaser shall report and pay applicable tax due.

(4) Notwithstanding section 144.040, this subsection shall apply to sales of other direct mail.

3. (1) (a) This section applies to a transaction characterized under state law as the sale of services only if the service is an integral part of the production and distribution of printed material that meets the definition of direct mail.

(b) This section does not apply to any transaction that includes the development of billing information or the provision of any data processing service that is more than incidental regardless of whether advertising and promotional direct mail is included in the same mailing.

(2) If a transaction is a bundled transaction that includes advertising and promotion direct mail, this section applies only if the primary purpose of the transaction is the sale of products or services that meet the definition of advertising and promotional direct mail.

(3) Nothing in this section shall limit any purchaser's:

(a) Obligation for sales or use tax to any state to which the direct mail is delivered;

(b) Right under local, state, federal or constitutional law, to a credit for sales or use taxes legally due and paid to other jurisdictions; or

(c) Right to a refund of sales or use taxes overpaid to any jurisdiction.

(4) This section applies for purposes of uniformly sourcing direct mail transactions and does not impose requirements on states regarding the taxation of products that meet the definition of direct mail or to the application of sales for resale or other exemptions.

144.043. 1. **[**As used in this section, the following terms mean:

(1) "Light aircraft", a light airplane that seats no more than four persons, with a gross weight of three thousand pounds or less, which is primarily used for recreational flying or flight training;

(2) "Light aircraft kit", factory manufactured parts and components, including engine, propeller, instruments, wheels, brakes, and air frame parts which make up a complete aircraft kit or partial kit designed to be assembled into a light aircraft and then operated by a qualified purchaser for recreational and educational purposes;

(3) "Parts and components", manufactured light aircraft parts, including air frame and engine parts, that are required by the qualified purchaser to complete a light aircraft kit, or spare or replacement parts for an already completed light aircraft;

(4) "Qualified purchaser", a purchaser of a light aircraft, light aircraft kit, parts or components who is nonresident of this state, who will transport the light aircraft, light aircraft

kit, parts or components outside this state within ten days after the date of purchase, and who will register any light aircraft so purchased in another state or country. Such purchaser shall not base such aircraft in this state and such purchaser shall not be a resident of the state unless such purchaser has paid sales or use tax on such aircraft in another state.

2. In addition to the exemptions granted under the provisions of section 144.030, there shall also be specifically exempted from the provisions of sections 144.010 to 144.525, sections 144.600 to 144.748, section 238.235, and from the provisions of any local sales tax law, as defined in section 32.085, and from the computation of the tax levied, assessed or payable under sections 144.010 to 144.525, sections 144.600 to 144.748, section 238.235, and under any local sales tax law, as defined in section 32.085, all sales of new light aircraft, light aircraft kits, parts or components manufactured or substantially completed within this state, when such new light aircraft, light aircraft kits, parts or components are sold by the manufacturer to a qualified purchaser. The director of revenue shall prescribe the manner for a purchaser of a light aircraft, light aircraft kit, parts or components to establish that such person is a qualified purchaser and is eligible for the exemption established in this section**] Except for the defined telecommunication services in subsection 3 of this section, the sale of telecommunication service sold on a call-by-call basis shall be sourced to:**

(1) Each level of taxing jurisdiction where the call originates and terminates in that jurisdiction; or

(2) Each level of taxing jurisdiction where the call either originates or terminates and in which the service address is also located.

2. Except for the defined telecommunication services in subsection 3 of this section, a sale of telecommunications services sold on a basis other than a call-by-call basis, is sourced to the customer's place of primary use.

3. The sale of the following telecommunication services shall be sourced to each level of taxing jurisdiction as follows:

(1) A sale of mobile telecommunications services other than air-to-ground radiotelephone service and prepaid calling service, is sourced to the customer's place of primary use as required by the Mobile Telecommunications Sourcing Act;

(2) A sale of post-paid calling service is sourced to the origination point of the telecommunications signal as first identified by either:

(a) The seller's telecommunications system; or

(b) Information received by the seller from its service provider, where the system used to transport such signals is not that of the seller;

(3) A sale of prepaid calling service or a sale of a prepaid wireless calling service is sourced in accordance with section 144.040, provided however, in the case of a sale of

prepaid wireless calling service, the rule provided in subdivision (5) of subsection 2 of section 144.040 shall include as an option the location associated with the mobile telephone number;

(4) A sale of a private communication service is sourced as follows:

(a) Service for a separate charge related to a customer channel termination point is sourced to each level of jurisdiction in which such customer channel termination point is located;

(b) Service where all customer termination points are located entirely within one jurisdiction or levels of jurisdiction is sourced in such jurisdiction in which the customer channel termination points are located;

(c) Service for segments of a channel between two customer channel termination points located in different jurisdictions and which segment of channel are separately charged is sourced fifty percent in each level of jurisdiction in which the customer channel termination points are located; and

(d) Service for segments of a channel located in more than one jurisdiction or levels of jurisdiction and which segments are not separately billed is sourced in each jurisdiction based on the percentage determined by dividing the number of customer channel termination points in such jurisdiction by the total number of customer channel termination points.

4. The sale of internet access service is sourced to the customer's place of primary use.

5. The sale of an ancillary service is sourced to the customer's place of primary use.

144.049. 1. **[**For purposes of this section, the following terms mean:

(1) "Clothing", any article of wearing apparel, including footwear, intended to be worn on or about the human body. The term shall include but not be limited to cloth and other material used to make school uniforms or other school clothing. Items normally sold in pairs shall not be separated to qualify for the exemption. The term shall not include watches, watchbands, jewelry, handbags, handkerchiefs, umbrellas, scarves, ties, headbands, or belt buckles; and

(2) "Personal computers", a laptop, desktop, or tower computer system which consists of a central processing unit, random access memory, a storage drive, a display monitor, and a keyboard and devices designed for use in conjunction with a personal computer, such as a disk drive, memory module, compact disk drive, daughterboard, digitalizer, microphone, modem, motherboard, mouse, multimedia speaker, printer, scanner, single-user hardware, single-user operating system, soundcard, or video card;

14 (3) "School supplies", any item normally used by students in a standard classroom for
15 educational purposes, including but not limited to textbooks, notebooks, paper, writing
16 instruments, crayons, art supplies, rulers, book bags, backpacks, handheld calculators, chalk,
17 maps, and globes. The term shall not include watches, radios, CD players, headphones, sporting
18 equipment, portable or desktop telephones, copiers or other office equipment, furniture, or
19 fixtures. School supplies shall also include computer software having a taxable value of three
20 hundred fifty dollars or less.
21 2.**]** In each year beginning on or after January 1, 2005, there is hereby specifically
22 exempted from state sales tax law all retail sales of any article of clothing having a taxable value
23 of one hundred dollars or less**[,] ;** all retail sales of school supplies**, school art supplies, and**
24 **school instructional materials** not to exceed fifty dollars per purchase**[,] ;** all **prewritten**
25 computer software with a taxable value of three hundred fifty dollars or less**[,] ;** and all retail
26 sales of **[**personal**]** computers **[**or computer peripheral devices**] and school computer supplies**
27 not to exceed three thousand five hundred dollars, during a three-day period beginning at 12:01
28 a.m. on the first Friday in August and ending at midnight on the Sunday following.
29 **[**3. If the governing body of any political subdivision adopted an ordinance that applied
30 to the 2004 sales tax holiday to prohibit the provisions of this section from allowing the sales tax
31 holiday to apply to such political subdivision's local sales tax, then, notwithstanding any
32 provision of a local ordinance to the contrary, the 2005 sales tax holiday shall not apply to such
33 political subdivision's local sales tax. However, any such political subdivision may enact an
34 ordinance to allow the 2005 sales tax holiday to apply to its local sales taxes. A political
35 subdivision must notify the department of revenue not less than forty-five calendar days prior
36 to the beginning date of the sales tax holiday occurring in that year of any ordinance or order
37 rescinding an ordinance or order to opt out.
38 4.**] 2.** This section shall not apply to any sales which take place within the Missouri state
39 fairgrounds.
40 **[**5.**] 3.** This section applies to sales of items bought for personal use only.
41 **[**6. After the 2005 sales tax holiday, any political subdivision may, by adopting an
42 ordinance or order, choose to prohibit future annual sales tax holidays from applying to its local
43 sales tax. After opting out, the political subdivision may rescind the ordinance or order. The
44 political subdivision must notify the department of revenue not less than forty-five calendar days
45 prior to the beginning date of the sales tax holiday occurring in that year of any ordinance or
46 order rescinding an ordinance or order to opt out.
47 7.**] 4.** This section may not apply to any retailer when less than two percent of the
48 retailer's merchandise offered for sale qualifies for the sales tax holiday. The retailer shall offer
49 a sales tax refund in lieu of the sales tax holiday.

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

(1) "Processing", any mode of treatment, act, or series of acts performed upon materials to transform or reduce them to a different state or thing, including treatment necessary to maintain or preserve such processing by the producer at the production facility;

(2) "Recovered materials", those materials which have been diverted or removed from the solid waste stream for sale, use, reuse, or recycling, whether or not they require subsequent separation and processing.

2. In addition to all other exemptions granted under this chapter, there is hereby specifically exempted from the provisions of **[**sections 144.010 to 144.525 and 144.600 to 144.761, and from the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600 to 144.761,**] this chapter and from the computation of the tax levied, assessed, or payable under this chapter** electrical energy and gas, whether natural, artificial, or propane, water, coal, and energy sources, chemicals, machinery, equipment, and materials used or consumed in the manufacturing, processing, compounding, mining, or producing of any product, or used or consumed in the processing of recovered materials, or used in research and development related to manufacturing, processing, compounding, mining, or producing any product. **[**The exemptions granted in this subsection shall not apply to local sales taxes as defined in section 32.085 and the provisions of this subsection shall be in addition to any state and local sales tax exemption provided in section 144.030.**]**

3. In addition to all other exemptions granted under this chapter, there is hereby specifically exempted from the provisions of **[**sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, and from the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085**] this chapter and from the computaton of the tax levied, assessed, and payable under this chapter**, all utilities, machinery, and equipment used or consumed directly in television or radio broadcasting and all sales and purchases of tangible personal property, utilities, services, or any other transaction that would otherwise be subject to the state or local sales or use tax when such sales are made to or purchases are made by a contractor for use in fulfillment of any obligation under a defense contract with the United States government, and all sales and leases of tangible personal property by any county, city, incorporated town, or village, provided such sale or lease is authorized under chapter 100, and such transaction is certified for sales tax exemption by the department of economic development, and tangible personal property used for railroad infrastructure brought into this state for processing, fabrication, or other modification for use outside the state in the regular course of business.

4. In addition to all other exemptions granted under this chapter, there is hereby specifically exempted from the provisions of **[**sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, and from the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085**] this chapter and from the computation of the tax levied, assessed, and payable under this chapter**, all sales and purchases of tangible personal property, utilities, services, or any other transaction that would otherwise be subject to the state or local sales or use tax when such sales are made to or purchases are made by a private partner for use in completing a project under sections 227.600 to 227.669.

144.070. 1. At the time the owner of any new or used motor vehicle, trailer, boat, or outboard motor which was acquired in a transaction subject to sales tax under the Missouri sales tax law makes application to the director of revenue for an official certificate of title and the registration of the motor vehicle, trailer, boat, or outboard motor as otherwise provided by law, the owner shall present to the director of revenue evidence satisfactory to the director of revenue showing the purchase price exclusive of any charge incident to the extension of credit paid by or charged to the applicant in the acquisition of the motor vehicle, trailer, boat, or outboard motor, or that no sales tax was incurred in its acquisition, and if sales tax was incurred in its acquisition, the applicant shall pay or cause to be paid to the director of revenue the sales tax provided by the Missouri sales tax law in addition to the registration fees now or hereafter required according to law, and the director of revenue shall not issue a certificate of title for any new or used motor vehicle, trailer, boat, or outboard motor subject to sales tax as provided in the Missouri sales tax law until the tax levied for the sale of the same under sections 144.010 to 144.510 has been paid as provided in this section or is registered under the provisions of subsection 5 of this section.

2. **[**As used in subsection 1 of this section, the term "purchase price" shall mean the total amount of the contract price agreed upon between the seller and the applicant in the acquisition of the motor vehicle, trailer, boat, or outboard motor, regardless of the medium of payment therefor.

3.**]** In the event that the purchase price is unknown or undisclosed, or that the evidence thereof is not satisfactory to the director of revenue, the same shall be fixed by appraisement by the director.

[4.**] 3.** The director of the department of revenue shall endorse upon the official certificate of title issued by the director upon such application an entry showing that such sales tax has been paid or that the motor vehicle, trailer, boat, or outboard motor represented by such certificate is exempt from sales tax and state the ground for such exemption.

27 **[**5.**] 4.** Any person, company, or corporation engaged in the business of renting or leasing
28 motor vehicles, trailers, boats, or outboard motors, which are to be used exclusively for rental
29 or lease purposes, and not for resale, may apply to the director of revenue for authority to operate
30 as a leasing company. Any company approved by the director of revenue may pay the tax due
31 on any motor vehicle, trailer, boat, or outboard motor as required in section 144.020 at the time
32 of registration thereof or in lieu thereof may pay a sales tax as provided in sections 144.010,
33 144.020, 144.070 and 144.440. A sales tax shall be charged to and paid by a leasing company
34 which does not exercise the option of paying in accordance with section 144.020, on the amount
35 charged for each rental or lease agreement while the motor vehicle, trailer, boat, or outboard
36 motor is domiciled in this state. Any motor vehicle, trailer, boat, or outboard motor which is
37 leased as the result of a contract executed in this state shall be presumed to be domiciled in this
38 state.

39 **[**6.**] 5.** Any corporation may have one or more of its divisions separately apply to the
40 director of revenue for authorization to operate as a leasing company, provided that the
41 corporation:

42 (1) Has filed a written consent with the director authorizing any of its divisions to apply
43 for such authority;

44 (2) Is authorized to do business in Missouri;

45 (3) Has agreed to treat any sale of a motor vehicle, trailer, boat, or outboard motor from
46 one of its divisions to another of its divisions as a sale at retail;

47 (4) Has registered under the fictitious name provisions of sections 417.200 to 417.230
48 each of its divisions doing business in Missouri as a leasing company; and

49 (5) Operates each of its divisions on a basis separate from each of its other divisions.
50 However, when the transfer of a motor vehicle, trailer, boat or outboard motor occurs within a
51 corporation which holds a license to operate as a motor vehicle or boat dealer pursuant to
52 sections 301.550 to 301.573 the provisions in subdivision (3) of this subsection shall not apply.

53 **[**7.**] 6.** If the owner of any motor vehicle, trailer, boat, or outboard motor desires to
54 charge and collect sales tax as provided in this section, the owner shall make application to the
55 director of revenue for a permit to operate as a motor vehicle, trailer, boat, or outboard motor
56 leasing company. The director of revenue shall promulgate rules and regulations determining
57 the qualifications of such a company, and the method of collection and reporting of sales tax
58 charged and collected. Such regulations shall apply only to owners of motor vehicles, trailers,
59 boats, or outboard motors, electing to qualify as motor vehicle, trailer, boat, or outboard motor
60 leasing companies under the provisions of subsection 5 of this section, and no motor vehicle
61 renting or leasing, trailer renting or leasing, or boat or outboard motor renting or leasing

62 company can come under sections 144.010, 144.020, 144.070 and 144.440 unless all motor
63 vehicles, trailers, boats, and outboard motors held for renting and leasing are included.
64 **[**8.**] 7.** Beginning July 1, 2010, any motor vehicle dealer licensed under section 301.560
65 engaged in the business of selling motor vehicles or trailers may apply to the director of revenue
66 for authority to collect and remit the sales tax required under this section on all motor vehicles
67 sold by the motor vehicle dealer. A motor vehicle dealer receiving authority to collect and remit
68 the tax is subject to all provisions under sections 144.010 to 144.525. Any motor vehicle dealer
69 authorized to collect and remit sales taxes on motor vehicles under this subsection shall be
70 entitled to deduct and retain an amount equal to two percent of the motor vehicle sales tax
71 pursuant to section 144.140. Any amount of the tax collected under this subsection that is
72 retained by a motor vehicle dealer pursuant to section 144.140 shall not constitute state revenue.
73 In no event shall revenues from the general revenue fund or any other state fund be utilized to
74 compensate motor vehicle dealers for their role in collecting and remitting sales taxes on motor
75 vehicles. In the event this subsection or any portion thereof is held to violate article IV, section
76 30(b) of the Missouri Constitution, no motor vehicle dealer shall be authorized to collect and
77 remit sales taxes on motor vehicles under this section. No motor vehicle dealer shall seek
78 compensation from the state of Missouri or its agencies if a court of competent jurisdiction
79 declares that the retention of two percent of the motor vehicle sales tax is unconstitutional and
80 orders the return of such revenues.

144.080. 1. Every person receiving any payment or consideration upon the sale of
2 property or rendering of service, subject to the tax imposed by the provisions of sections 144.010
3 to 144.525, is exercising the taxable privilege of selling the property or rendering the service at
4 retail and is subject to the tax levied in section 144.020. The person shall be responsible not only
5 for the collection of the amount of the tax imposed on the sale or service to the extent possible
6 under the provisions of section 144.285, but shall, on or before the last day of the month
7 following each calendar quarterly period of three months, file a return with the director of
8 revenue showing the person's gross receipts and the amount of tax levied in section 144.020 for
9 the preceding quarter, and shall remit to the director of revenue, with the return, the taxes levied
10 in section 144.020, except as provided in subsections 2 and 3 of this section. The director of
11 revenue may promulgate rules or regulations changing the filing and payment requirements of
12 sellers, but shall not require any seller to file and pay more frequently than required in this
13 section.
14 2. **[**Where the aggregate amount levied and imposed upon a seller by section 144.020 is
15 in excess of two hundred and fifty dollars for either the first or second month of a calendar
16 quarter, the seller shall file a return and pay such aggregate amount for such months to the
17 director of revenue by the twentieth day of the succeeding month.

18 3.**]** Where the aggregate amount levied and imposed upon a seller by section 144.020 is
19 less than forty-five dollars in a calendar quarter, the director of revenue shall by regulation permit
20 the seller to file a return for a calendar year. The return shall be filed and the taxes paid on or
21 before January thirty-first of the succeeding year.

22 **[**4.**] 3.** The seller of any property or person rendering any service, subject to the tax
23 imposed by sections 144.010 to 144.525, shall collect the tax from the purchaser of such property
24 or the recipient of the service to the extent possible under the provisions of section 144.285, but
25 the seller's inability to collect any part or all of the tax does not relieve the seller of the obligation
26 to pay to the state the tax imposed by section 144.020; except that the collection of the tax
27 imposed by sections 144.010 to 144.525 on motor vehicles and trailers shall be made as provided
28 in sections 144.070 and 144.440.

29 **[**5. It shall be unlawful for**] 4.** Any person **[**to**] may** advertise or hold out or state to the
30 public or to any customer directly **[**or indirectly**]** that the tax or any part thereof imposed by
31 sections 144.010 to 144.525, and required to be collected by the person, will be assumed or
32 absorbed by the person, **[**or that it will not be separately stated and added to the selling price of**]**
33 **provided that the amount of tax assumed or absorbed shall be stated on any invoice or**
34 **receipt for** the property sold or service rendered**[**, or if added, that it or any part thereof will be
35 refunded**]**. **Failure to separately state such assumed or absorbed tax on the invoice or**
36 **receipt shall be unlawful, and** any person violating any of the provisions of this section shall
37 be guilty of a misdemeanor. **This subsection shall not apply to any retailer prohibited from**
38 **collecting and remitting sales tax under section 66.630.**

144.082. 1. The director shall participate in an online registration system that will
2 **allow sellers to register in this state and other member states.**

3 **2. By registering, the seller agrees to collect and remit sales and use taxes for all**
4 **taxable sales into this state as well as the other member states, including member states**
5 **joining after the seller's registration. Withdrawal or revocation of this state from the**
6 **agreement shall not relieve a seller of its responsibility to remit taxes previously or**
7 **subsequently collected on behalf of this state.**

8 **3. If the seller has a requirement to register prior to registering under the**
9 **agreement, such seller shall obtain a retail sales license under section 144.083 and register**
10 **under section 144.650.**

11 **4. Registration with the central registration system and the collection of sales and**
12 **use taxes in this state shall not be used as a factor in determining whether the seller has**
13 **nexus with this state for any tax at any time.**

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 shall be a prerequisite to the issuance or renewal of any city or county occupation
20 license or any state license which is required for conducting any business where goods are sold
21 at retail. The date of issuance on the statement that the licensee owes no tax due shall be no
22 more than ninety days before the date of submission for application or renewal of the local
23 license. The revocation of a retailer's license by the director shall render the occupational license
24 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, the possession of a statement from the department of revenue stating no tax is due under
34 sections 143.191 to 143.265 or sections 144.010 to 144.510 shall also be a prerequisite to the
35 issuance or renewal of any city or county occupation license or any state license required for
36 conducting any business where goods are sold at retail. The statement of no tax due shall be
37 dated no longer than ninety days before the date of submission for application or renewal of the
38 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.]

144.084. 1. The director shall promulgate rules and regulations for remittance of
2 **returns. Such rules shall:**
3 **(1) Allow for electronic payments by all remitters by both ACH credit and ACH**
4 **debit;**
5 **(2) Provide an alternative method for making "same day" payments if an electronic**
6 **funds transfer fails;**
7 **(3) Provide that if a due date falls on a legal banking holiday in the state, the taxes**
8 **shall be due on the next succeeding business day; and**
9 **(4) Require that any data that accompanies a remittance be formatted using**
10 **uniform tax type and payment type codes approved by the streamlined sales and use tax**
11 **governing board.**
12 **2. All model 1, model 2, and model 3 sellers shall file returns electronically. Any**
13 **model 1, model 2, or model 3 seller shall submit its sales and use tax returns in a simplified**
14 **format approved by the director at such times as may be prescribed by the director.**

144.100. 1. Every person making any taxable sales of property or service, except
2 transactions provided for in sections 144.070 and 144.440, individually or by duly authorized
3 officer or agent, shall make and file a written return with the director of revenue in such manner
4 as he may prescribe.
5 2. The returns shall be on blanks designed and furnished by the director of the
6 department of revenue and shall be filed at the times provided in sections 144.080 and 144.090.
7 The returns shall [show the amount of gross receipts from sales of taxable property and services
8 by the person and the amount of tax due thereon by that person during and for the period covered
9 by the return] **state:**
10 **(1) The name and address of the retailer;**
11 **(2) The total amount of gross sales of all tangible personal property and taxable**
12 **services rendered by the retailer during the period for which the return is made;**
13 **(3) The total amount received during the period for which the return is made on**
14 **charge and time sales of tangible personal property made and taxable services rendered**
15 **prior to the period for which the return is made;**
16 **(4) Deductions allowed by law from such total amount of gross sales and from total**
17 **amount received during the period for which the return is made on such charge and time**
18 **sales;**

(5) Receipts during the period for which the return is made from the total amount of sales of tangible personal property and taxable services rendered during such period in the course of such business, after deductions allowed by law have been made;

(6) Receipts during the period for which the return is made from charge and time sales of tangible personal property made and taxable services rendered prior to such period in the course of such business, after deductions allowed by law have been made;

(7) Gross receipts during the period for which the return is made from sales of tangible personal property and taxable services rendered in the course of such business upon the basis of which the tax is imposed; and

(8) Such other pertinent information as the director may require.

3. In making such return, the retailer shall determine the market value of any consideration, other than money, received in connection with the sale of any tangible personal property in the course of the business and shall include such value in the return. Such value shall be subject to review and revision by the director as hereinafter provided. Refunds made by a retailer during the period for which the return is made on account of tangible personal property returned to the retailer shall be allowed as a deduction under subdivision (4) of subsection 2 of this section in case the retailer has included the receipts from such sale in a return made by such retailer and paid taxes on such sale. The retailer shall, at the time of making such return, pay to the director the amount of tax owed, except as otherwise provided in this section. The director may extend the time for making returns and paying the tax required by this section for any period not to exceed sixty days under such rules and regulations as the director of revenue may prescribe.

4. The director shall only require a single tax return for each taxing period and such return shall include only the taxing jurisdictions in which the seller makes sales within the state. With each return, the person shall remit to the director of revenue the full amount of the tax due.

[3.**] 5.** In case of charge and time sales the gross receipts thereof shall be included as sales in the returns as and when payments are received by the person, without any deduction therefrom whatsoever.

[4.**] 6.** If an error or omission is discovered in a return or a change be necessary to show the true facts, the error may be corrected, the omission supplied, or the change made in the return next filed with the director for the filing period immediately following the filing period in which the error was made or the omission occurred, as prescribed by law, except that no refund under this chapter shall be allowed for any amount of tax paid by a seller which is based upon charges incident to credit card discounts. Any other omission or error must be corrected by filing an amended return for the erroneously reported period if the amount of tax is less than that

55 originally reported, or an additional return if the amount of tax is greater than that originally
56 reported. An additional return shall be deemed filed on the date the envelope in which it is
57 mailed is postmarked or the date it is received by the director, whichever is earlier. Any payment
58 of tax, interest, penalty or additions to tax shall be deemed filed on the date the envelope
59 containing the payment is postmarked or the date the payment is received by the director,
60 whichever is earlier. If a refund or credit results from the filing of an amended return, no refund
61 or credit shall be allowed unless an application for refund or credit is properly completed and
62 submitted to the director pursuant to section 144.190.

63 **[**5.**] 7.** The amount of gross receipts from sales and the amount of tax due returned by
64 the person, as well as all matters contained in the return, is subject to review and revision in the
65 manner herein provided for the correction of the returns.

144.105. 1. A seller shall be allowed a deduction from taxable sales for bad debts
2 **attributable to taxable sales of such seller that have become uncollectable. Any deduction**
3 **taken that is attributed to bad debts shall not include interest.**

4 **2. The amount of the bad debt deduction shall be calculated under 26 U.S.C.**
5 **Section 166(b), as amended except that such amount shall be adjusted to exclude financing**
6 **charges or interest, sales, or use taxes charged on the purchase price, uncollectable**
7 **amounts on property that remain in the possession of the seller until the full purchase price**
8 **is paid, and expenses incurred in attempting to collect any debt or repossessed property.**

9 **3. Bad debts may be deducted on the return for the period during which the bad**
10 **debt is written off as uncollectable in the seller's books and records and is eligible to be**
11 **deducted for federal income tax purposes. For purposes of this subsection, a seller who is**
12 **not required to file federal income tax returns may deduct a bad debt on a return filed for**
13 **the period in which the bad debt is written off as uncollectable in the seller's books and**
14 **records and would be eligible for a bad debt deduction for federal income tax purposes if**
15 **the seller was required to file a federal income tax return.**

16 **4. If a deduction is taken for a bad debt and the debt is subsequently collected in**
17 **whole or in part, the tax on the amount so collected shall be paid and reported on the**
18 **return filed for the period in which the collection is made.**

19 **5. When the amount of bad debt exceeds the amount of taxable sales for the period**
20 **during which the bad debt is written off, a refund claim may be filed by the seller within**
21 **the applicable statute of limitations for refund claim; however, the statute of limitations**
22 **shall be measured from the due date of the return on which the bad debt could first be**
23 **claimed.**

24 **6. Where filing responsibilities have been assumed by a certified service provider,**
25 **such service provider may claim, on behalf of the seller, any bad debt allowance provided**

by this section. The certified service provider shall credit or refund the full amount of any bad debt allowance or refund received to the seller.

7. For the purposes of reporting a payment received on a previously claimed bad debt, any payments made on a debt or account shall first be applied proportionally to the taxable price of the property or service and the sales tax thereon, and secondly to interest, service charges, and any other charges.

8. In situations where the books and records of the seller, or certified service provider on behalf of the seller, claiming the bad debt allowance support an allocation of the bad debts among the member states, such an allocation shall be permitted.

144.106. 1. The state shall review software submitted to the streamlined sales and use tax governing board for certification as a certified automated system (CAS) under Section 501 of the streamlined sales and use tax agreement. Such review shall include a review to determine that the program adequately classifies the state's product-based exemptions. Upon completion of the review, the state shall certify to the governing board its acceptance of the classifications made by the system. The state shall relieve a certified service provider (CSP) or model 2 seller from liability to this state and its local jurisdictions for failure to collect sales or use taxes resulting from the CSP or model 2 seller's reliance on the certification provided by the state.

2. The streamlined sales and use tax governing board and this state shall not be responsible for classification of an item or transaction with the product-based exemptions. The relief from liability provided in this section shall not be available for a CSP or model 2 seller that has incorrectly classified an item or transaction into a product-based exemption certified by this state. This subsection shall apply to the individual listing of items or transactions within a product definition approved by the governing board or the state.

3. If the state determines that an item or transaction is incorrectly classified as to its taxability, it shall notify the CSP or model 2 seller of the incorrect classification. The CSP or model 2 seller shall have ten days to revise the classification after receipt of notice from the state of the determination. Upon expiration of the ten days, such CSP or model 2 seller shall be liable for failure to collect the correct amount of sales or use taxes due and owing to the state.

144.123. 1. The director shall provide and maintain a database that describes boundary changes for all taxing jurisdictions and the effective dates of such changes for sales and use tax purposes.

2. The director shall provide and maintain a database of all sales and use tax rates for all taxing jurisdictions. For the identification of counties and cities, codes

6 **corresponding to the rates shall be provided according to Federal Information Processing**
7 **Standards (FIPS) as developed by the National Institute of Standards and Technology. For**
8 **the identification of all other jurisdictions, codes corresponding to the rates shall be in a**
9 **format determined by the director.**
10 **3. The director shall provide and maintain a database that assigns each five- and**
11 **nine-digit zip code to the proper rates and taxing jurisdictions. The lowest combined tax**
12 **rate imposed in the zip code area shall apply if the area includes more than one tax rate in**
13 **any level of taxing jurisdiction. If a nine-digit zip code designation is not available for a**
14 **street address, or if a seller or a certified service provider (CSP) is unable to determine the**
15 **nine-digit zip code designation applicable to a purchase after exercising due diligence to**
16 **determine the designation, the seller or CSP may apply the rate for the five-digit zip code**
17 **area. For purposes of this section, there shall be a rebuttable presumption that a seller or**
18 **CSP has exercised due diligence if the seller has attempted to determine the nine-digit zip**
19 **code designation by utilizing software approved by the secretary that makes this**
20 **designation from the street address and the five-digit zip code applicable to a purchase.**
21 **4. The director may provide address-based boundary database records for**
22 **assigning taxing jurisdictions and associated rates which shall be in addition to the**
23 **requirements of subsection 3 of this section. The database records shall be in the same**
24 **approved format as the database records required under subsection 3 of this section and**
25 **shall meet the requirements developed pursuant to the federal Mobile Telecommunications**
26 **Sourcing Act, 4 U.S.C. Section 119(a) as amended. If the director develops address-based**
27 **assignment database records pursuant to the agreement, sellers that register under the**
28 **agreement shall be required to use such database. A seller or CSP shall use such database**
29 **records in place of the five- and nine-digit zip code database records provided for in**
30 **subsection 3 of this section. If a seller or CSP is unable to determine the applicable rate**
31 **and jurisdiction using an address-based database record after exercising due diligence, the**
32 **seller or CSP may apply the nine-digit zip code designation applicable to a purchase. If a**
33 **nine-digit zip code designation is not available for a street address or if a seller or CSP is**
34 **unable to determine the nine-digit zip code designation applicable to a purchase after**
35 **exercising due diligence to determine the designation, the seller or CSP may apply the rate**
36 **for the five-digit zip code area. For the purposes of this section, there shall be a rebuttable**
37 **presumption that a seller or CSP has exercised due diligence if the seller or CSP has**
38 **attempted to determine the tax rate and jurisdiction by utilizing software approved by the**
39 **director and makes the assignment from the address and zip code information applicable**
40 **to the purchase. If the director has met the requirements of subsection 3 of this section, the**
41 **director may also elect to certify vendor provided address-based databases for assigning**

tax rates and jurisdictions. The databases shall be in the same approved format as the database records under this section and meet the requirements developed pursuant to the federal Mobile Telecommunications Sourcing Act, 4 U.S.C. Section 119(a) as amended. If the director certifies a vendor address-based database, a seller or CSP may use such database in place of the database provided for in this subsection.

5. The electronic databases provided for in subsections 1, 2, 3, and 4 of this section shall be in downloadable format as determined by the director. The databases may be directly provided by the director or provided by a vendor as designated by the director. A database provided by a vendor as designated by the director shall be applicable and subject to the provisions of section 144.1031 and this section. The databases shall be provided at no cost to the user of the database. The provisions of subsections 3 and 4 of this section shall not apply when the purchased product is received by the purchaser at the business location of the seller.

6. No seller or CSP shall be liable for reliance upon erroneous data provided by the director on tax rates, boundaries, or taxing jurisdiction assignments.

144.124. 1. The director shall complete a taxability matrix. The state's entries in the matrix shall be provided and maintained by the director in a database that is in a downloadable format.

2. The director shall provide reasonable notice of changes in the taxability of the products or services listed in the taxability matrix.

3. A seller or certified service provider (CSP) shall be relieved from liability to this state or any local taxing jurisdiction for having charged and collected the incorrect amount of state or local sales or use tax resulting from such seller's or CSP's reliance upon erroneous data provided by the director in the taxability matrix.

144.125. 1. (1) Amnesty shall be granted for uncollected or unpaid sales or use tax to a seller who registers to pay or to collect and remit applicable sales or use tax on sales made to purchasers in this state in accordance with the terms of the agreement, provided that the seller was not so registered in this state in the twelve-month period preceding the effective date of this state's participation in the agreement.

(2) Amnesty shall preclude assessment for uncollected or unpaid sales or use tax together with penalty or interest for sales made during the period the seller was not registered in this state, provided registration occurs within twelve months of the effective date of this state's participation in the agreement.

(3) Amnesty shall be provided if this state joins the agreement after the seller has registered.

12 **2. Amnesty shall not be available to a seller with respect to any matter or matters**
13 **for which the seller received notice of the commencement of an audit and which audit is**
14 **not yet finally resolved including any related administrative and judicial processes. The**
15 **amnesty shall not be available for sales or use taxes already paid or remitted to this state**
16 **or to taxes collected by the seller.**
17 **3. Amnesty provided under this section shall be fully effective, absent the seller's**
18 **fraud or intentional misrepresentation of a material fact, as long as the seller continues**
19 **registration and payment or collection and remittance of applicable sales or use taxes for**
20 **a period of at least thirty-six months. The statute of limitations applicable to asserting a**
21 **tax liability during this thirty-six month period shall be tolled.**
22 **4. Amnesty provided under this section shall be applicable only to sales or use taxes**
23 **due from a seller in its capacity as a seller and not to sales or use taxes due from a seller in**
24 **its capacity as a purchaser.**
25 **5. The provisions of this section shall become effective as of the date that the state**
26 **joins and becomes a member state of the agreement.**

144.140. **1.** From every remittance to the director of revenue made on or before the date
2 when the same becomes due, the person required to remit the same shall be entitled to deduct and
3 retain an amount equal to two percent thereof.
4 **2. If the director of the department of revenue enters into the streamlined sales and**
5 **use tax agreement under section 32.070, the director shall provide a monetary allowance**
6 **from the taxes collected to each of the following:**
7 **(1) A certified service provider, in accordance with the agreement and under the**
8 **terms of the contract signed with the provider, provided that such allowance shall not**
9 **exceed two percent of the amount collected;**
10 **(2) Any vendor registered under the agreement that selects a certified automated**
11 **system to perform part of its sales or use tax functions;**
12 **(3) Any vendor registered under the agreement that uses a proprietary system to**
13 **calculate taxes due and has entered into a performance agreement with states that are**
14 **members to the streamlined sales and use tax agreement.**
15 **3. The monetary allowance provided for vendors in subdivision (2) or (3) of**
16 **subsection 2 of this section shall be in an amount equal to two percent of the taxes collected.**
17 **4. Any vendor receiving an allowance under subsection 2 of this section shall not**
18 **be entitled simultaneously to deduct the allowance provided for in subsection 1 of this**
19 **section.**

144.210. 1. The burden of proving that a sale of tangible personal property, services,
2 substances or things was not a sale at retail shall be upon the person who made the sale, except

that with respect to sales, services, or transactions provided for in section 144.070. **[**The seller shall obtain and maintain exemption certificates signed by the purchaser or his agent as evidence for any exempt sales claimed; provided, however, that before any administrative tribunal of this state, a seller may prove that sale is exempt from tax under this chapter in accordance with proof admissible under the applicable rules of evidence; except that when a purchaser has purchased tangible personal property or services sales tax free under a claim of exemption which is found to be improper, the director of revenue may collect the proper amount of tax, interest, additions to tax and penalty from the purchaser directly. Any tax, interest, additions to tax or penalty collected by the director from the purchaser shall be credited against the amount otherwise due from the seller on the purchases or sales where the exemption was claimed.**]**

2. If the director of revenue is not satisfied with the return and payment of the tax made by any person, he is hereby authorized and empowered to make an additional assessment of tax due from such person, based upon the facts contained in the return or upon any information within his possession or that shall come into his possession.

3. The director of revenue shall give to the person written notice of such additional or revised assessment by certified or registered mail to the person at his or its last known address.

144.212. 1. In addition to all other provisions of law provided for exemptions, when an exemption is claimed by a purchaser:

(1) The seller shall obtain identifying information of the purchaser and the reason for claiming a tax exemption at the time of the purchase;

(2) A purchaser shall not be required to provide a signature to claim an exemption from tax unless a paper exemption certificate is used;

(3) The seller shall use the standard form for claiming an exemption electronically prescribed by the director of the department of revenue and acceptable to the streamlined sales and use tax governing board;

(4) The seller shall obtain the same information for proof of a claimed exemption regardless of the medium in which the transaction occurred;

(5) The seller shall maintain proper records of exempt transactions and provide such records to the director of the department of revenue or the director's designee upon request;

(6) In the case of drop shipment sales, a third-party vendor, such as a drop shipper, may claim a resale exemption based on an exemption certificate provided by its customer or any other acceptable information available to the third-party vendor evidencing qualification for a resale exemption, regardless of whether the customer is registered to collect and remit sales and use tax in the state where the sale is sourced.

2. (1) Sellers that comply with the requirements of this section shall be relieved from collecting and remitting tax otherwise applicable if it is determined that the purchaser improperly claimed an exemption and such purchaser shall be liable for the nonpayment of tax. Relief from liability provided under this section shall not apply to a seller who fraudulently fails to collect tax; to a seller who solicits purchasers to participate in the unlawful claim of an exemption; to a seller who accepts an exemption certificate when the purchaser claims an entity-based exemption when the subject of the transaction sought to be covered by the exemption certificate is actually received by the purchaser at a location operated by the seller and the state in which that location resides provides an exemption certificate that clearly and affirmatively indicates that the claimed exemption is not available in such state; or to a seller who accepts an exemption certificate claiming multiple points of use for tangible personal property other than computer software for which an exemption claiming multiple points of use.

(2) A seller shall be relieved from collecting and remitting tax otherwise applicable if the seller obtains a fully completed exemption certificate or captures the relevant data elements required under the agreement within ninety days subsequent to the date of sale.

(3) If a seller fails to obtain an exemption certificate or all relevant data elements as provided in this section, the seller may, within one hundred twenty days subsequent to a request for substantiation by the director of the department of revenue or the director's designee, either prove that the transaction was not subject to tax by other means or obtain a fully completed exemption certificate from the purchaser, taken in good faith.

3. Nothing in this section shall affect the ability of the director of the department of revenue or the director's designee to require purchasers to update exemption certificate information or to reapply with the state to claim certain exemptions.

4. Notwithstanding the provisions of subsection 2 of this section to the contrary, the director shall relieve a seller of the tax otherwise applicable if the seller obtains a blanket exemption certificate for a purchaser with which the seller has a recurring business relationship. The director shall not request from the seller renewal of blanket certificates or updates of exemption certificate information or data elements when there is a recurring business relationship between the buyer and seller. For purposes of this section, a recurring business relationship exists when a period of no more than twelve months elapses between sales transactions.

144.285. 1. **[**In order to permit sellers required to collect and report the sales tax to collect the amount required to be reported and remitted, but not to change the requirements of reporting or remitting tax or to serve as a levy of the tax, and in order to avoid fractions of pennies, the director of revenue shall establish brackets, showing the amounts of tax to be

5 collected on sales of specified amounts, which shall be applicable to all taxable transactions**]**
6 **When the seller is computing the amount of tax owed by the purchaser and remitted to the**
7 **state:**
8 **(1) Tax computation shall be carried to the third decimal place; and**
9 **(2) The tax shall be rounded to a whole cent using a method that rounds up to the**
10 **next cent whenever the third decimal place is greater than four**.
11 2. **[**In all instances where statements covering taxable purchases are rendered to the
12 taxpayer on a monthly or other periodic basis, the amount of tax shall be determined by applying
13 the applicable tax rate to the taxable purchases represented on the statement, rounded to the
14 nearest whole cent, or by application of the brackets established by the director of revenue, at the
15 option of the retail vendor**] Sellers may elect to compute the tax due on a transaction on an**
16 **item or an invoice basis. The provision of this subsection may be applied to the aggregated**
17 **state and local taxes**.
18 3. No vendor or seller shall knowingly charge or receive from a purchaser as a sales tax
19 any sum in excess of the sums provided for in this section.
20 4. **[**A vendor may, at his option, determine the amount charged to and received from each
21 purchaser by use of a formula which applies the applicable tax rate to each taxable purchase,
22 rounded to the nearest whole cent. The formula shall be uniformly and consistently applied to
23 all purchases similarly situated.
24 5.**]** Amounts which a vendor charges to and receives from the purchaser in accordance
25 with this section shall not be includable in his gross receipts if the amounts are separately
26 charged or stated.
27 **[**6.**] 5.** If sales tax for one or more local political subdivisions is owed by a taxpayer
28 pursuant to chapter 66, 67, 92, or 94 and that taxpayer remits less than all sales tax due for a
29 filing period specified in section 144.080, the director of revenue shall deposit the tax remitted
30 proportionately to each taxing jurisdiction in accordance with the percentage that each such
31 jurisdiction's share of the tax due for the filing period bears to the total tax due from such
32 taxpayer for such period. The unpaid balance due along with penalties and interest shall be
33 similarly prorated among the state and all local jurisdictions for which tax was due during the
34 filing period for which an underpayment occurs. The provisions of this subsection shall apply
35 to all returns or remittances relating to sales made on or after January 1, 1984.
144.526. 1. This section shall be known and may be cited as the "Show Me Green Sales
2 Tax Holiday".
3 2. **[**For purposes of this section, the following terms mean:

4 (1) "Appliance", clothes washers and dryers, water heaters, trash compactors,
5 dishwashers, conventional ovens, ranges, stoves, air conditioners, furnaces, refrigerators and
6 freezers; and
7 (2) "Energy star certified", any appliance approved by both the United States
8 Environmental Protection Agency and the United States Department of Energy as eligible to
9 display the energy star label, as amended from time to time.
10 3.**]** In each year beginning on or after January 1, 2009, there is hereby specifically
11 exempted from state sales tax law all retail sales of any **[**energy star certified**]** new appliance **that**
12 **is an energy star qualified product**, up to one thousand five hundred dollars per appliance,
13 during a seven-day period beginning at 12:01 a.m. on April nineteenth and ending at midnight
14 on April twenty-fifth.
15 **[**4. A political subdivision may allow the sales tax holiday under this section to apply to
16 its local sales taxes by enacting an ordinance to that effect. Any such political subdivision shall
17 notify the department of revenue not less than forty-five calendar days prior to the beginning date
18 of the sales tax holiday occurring in that year of any such ordinance or order.
19 5. This section may not apply to any retailer when less than two percent of the retailer's
20 merchandise offered for sale qualifies for the sales tax holiday. The retailer shall offer a sales
21 tax refund in lieu of the sales tax holiday.**]**

144.655. 1. Every vendor, on or before the last day of the month following each calendar
2 quarterly period of three months, shall file with the director of revenue a return of all taxes
3 collected for the preceding quarter in the form prescribed by the director of revenue, showing the
4 total sales price of the tangible personal property sold by the vendor, the storage, use or
5 consumption of which is subject to the tax levied by this law, and other information the director
6 of revenue deems necessary. The return shall be accompanied by a remittance of the amount of
7 the tax required to be collected by the vendor during the period covered by the return. Returns
8 shall be signed by the vendor or the vendor's authorized agent. The director of revenue may
9 promulgate rules or regulations changing the filing and payment requirements of vendors, but
10 shall not require any vendor to file and pay more frequently than required in this section.
11 2. Where the aggregate amount of tax required to be collected by a vendor is in excess
12 of two hundred and fifty dollars for either the first or second month of a calendar quarter, the
13 vendor shall pay such aggregate amount for such months to the director of revenue by the
14 twentieth day of the succeeding month. The amount so paid shall be allowed as a credit against
15 the liability shown on the vendor's quarterly return required by this section.
16 3. Where the aggregate amount of tax required to be collected by a vendor is less than
17 forty-five dollars in a calendar quarter, the director of revenue shall by regulation permit the

vendor to file a return for a calendar year. The return shall be filed and the taxes paid on or before January thirty-first of the succeeding year.

4. Except as provided in subsection 5 of this section, every person purchasing tangible personal property, the storage, use or consumption of which is subject to the tax levied by sections 144.600 to 144.748, who has not paid the tax due to a vendor registered in accordance with the provisions of section 144.650, shall file with the director of revenue a return for the preceding reporting period in the form and manner that the director of revenue prescribes, showing the total sales price of the tangible property purchased during the preceding reporting period and any other information that the director of revenue deems necessary for the proper administration of sections 144.600 to 144.748. The return shall be accompanied by a remittance of the amount of the tax required by sections 144.600 to 144.748 to be paid by the person. Returns shall be signed by the person liable for the tax or such person's duly authorized agent. For purposes of this subsection, the reporting period shall be determined by the director of revenue and may be a calendar quarter or a calendar year. Annual returns and payments required by the director pursuant to this subsection shall be due on or before April fifteenth of the year for the preceding calendar year and quarterly returns and payments shall be due on or before the last day of the month following each calendar period of three months. Upon the taxpayer's request, the director may allow the filing of such returns and payments on a monthly basis. If a taxpayer elects to file a monthly return and payment, such return and payment shall be due on or before the twentieth day of the succeeding month.

5. Any person purchasing tangible personal property subject to the taxes imposed by sections 144.600 to 144.748 shall not be required to file a use tax return with the director of revenue if such purchases on which such taxes were not paid do not exceed in the aggregate two thousand dollars in any calendar year.

6. Nothing in subsection 5 of this section shall relieve a vendor of liability to collect the tax imposed pursuant to sections 144.600 to 144.748 on the total gross receipts of all sales of tangible personal property used, stored or consumed in this state and to remit all taxes collected to the director of revenue in accordance with the provisions of this section nor shall it relieve a purchaser from paying such taxes to a vendor registered in accordance with the provisions of section 144.650.

7. Any out-of-state seller which is not legally required to register for use tax in this state but chooses to collect and remit use tax under sections 144.600 to 144.761 shall file a return for the calendar year. The return shall be filed and the taxes paid on or before January thirty-first of the succeeding year. In the event that any out-of-state seller which is not legally required to register for use tax in this state but chooses to collect and remit use tax under sections 144.600 to 144.761 has accumulated state and local use tax funds in

an amount equal to one thousand dollars or more, such vendor shall file a return and remit the amount due for the month in which the accumulated state and local use tax funds equal or exceed one thousand dollars.

144.710. **[**From every remittance made by a vendor as required by sections 144.600 to 144.745 to the director of revenue on or before the date when the remittance becomes due, the vendor may deduct and retain an amount equal to two percent thereof.**] Sections 144.210 and 144.212, pertaining to the allowance for timely remittance of payment, are applicable to the tax levied by this law.**

148.064. 1. Notwithstanding any law to the contrary, this section shall determine the ordering and limit reductions for certain taxes and tax credits which may be used as credits against various taxes paid or payable by banking institutions. Except as adjusted in subsections 2, 3 and 6 of this section, such credits shall be applied in the following order until used against:

(1) The tax on banks determined under subdivision (2) of subsection 2 of section 148.030;

(2) The tax on banks determined under subdivision (1) of subsection 2 of section 148.030;

(3) The state income tax in section 143.071.

2. The tax credits permitted against taxes payable pursuant to subdivision (2) of subsection 2 of section 148.030 shall be utilized first and include taxes referenced in subdivisions (2) and (3) of subsection 1 of this section, which shall be determined without reduction for any tax credits identified in subsection 5 of this section which are used to reduce such taxes. Where a banking institution subject to this section joins in the filing of a consolidated state income tax return under chapter 143, the credit allowed under this section for state income taxes payable under chapter 143 shall be determined based upon the consolidated state income tax liability of the group and allocated to a banking institution, without reduction for any tax credits identified in subsection 5 of this section which are used to reduce such consolidated taxes as provided in chapter 143.

3. The taxes referenced in subdivisions (2) and (3) of subsection 1 of this section may be reduced by the tax credits in subsection 5 of this section without regard to any adjustments in subsection 2 of this section.

4. To the extent that certain tax credits which the taxpayer is entitled to claim are transferable, such transferability may include transfers among such taxpayers who are members of a single consolidated income tax return, and this subsection shall not impact other tax credit transferability.

5. For the purpose of this section, the tax credits referred to in subsections 2 and 3 shall include tax credits available for economic development, low-income housing and neighborhood

29 assistance which the taxpayer is entitled to claim for the year, including by way of example and
30 not of limitation, tax credits pursuant to the following sections: section 32.115, section 100.286,
31 and sections 135.110, 135.225, 135.352 and 135.403.

32 6. For tax returns filed on or after January 1, 2001, including returns based on income
33 in the year 2000, and after, a banking institution shall be entitled to an annual tax credit equal
34 to one-sixtieth of one percent of its outstanding shares and surplus employed in this state if the
35 outstanding shares and surplus exceed one million dollars, determined in the same manner as in
36 section 147.010. This tax credit shall be taken as a dollar-for-dollar credit against the bank tax
37 provided for in subdivision (2) of subsection 2 of section 148.030; if such bank tax was already
38 reduced to zero by other credits, then against the corporate income tax provided for in chapter
39 143.

40 7. In the event the corporation franchise tax in chapter 147 is repealed by the general
41 assembly, there shall also be a reduction in the taxation of banks as follows: in lieu of the loss
42 of the corporation franchise tax credit reduction in subdivision (1) of subsection 2 of section
43 148.030, the bank shall receive a tax credit equal to one and one-half percent of net income as
44 determined in this chapter. This subsection shall take effect at the same time the corporation
45 franchise tax in chapter 147 is repealed.

46 8. An S corporation bank or bank holding company that otherwise qualifies to distribute
47 tax credits to its shareholders shall pass through any tax credits referred to in subsection 5 of this
48 section to its shareholders as otherwise provided for in subsection 9 of section 143.471 with no
49 reductions or limitations resulting from the transfer through such S corporation, and on the same
50 terms originally made available to the original taxpayer, subject to any original dollar or
51 percentage limitations on such credits, and when such S corporation is the original taxpayer,
52 treating such S corporation as having not elected Subchapter S status.

53 9. Notwithstanding any law to the contrary, in the event the corporation franchise tax in
54 chapter 147 is repealed by the general assembly, after such repeal all Missouri taxes of any nature
55 and type imposed directly or used as a tax credit against the bank's taxes shall be passed through
56 to the S corporation bank or bank holding company shareholder in the form otherwise permitted
57 by law, except for the following:

58 (1) Credits for taxes on real estate and tangible personal property owned by the bank and
59 held for lease or rental to others;

60 (2) Contributions paid pursuant to the unemployment compensation tax law of Missouri;
61 or

62 (3) State and local sales and use taxes collected by the bank on its sales of tangible
63 personal property and the services enumerated in chapter 144.

64 **10. Notwithstanding any other provision of law to the contrary, no tax credits shall**
65 **be issued under this section after December 31, 2012, and any tax credit issued before**
66 **January 1, 2013, shall be redeemed before January 1, 2015.**

148.400. **1.** All insurance companies or associations organized in or admitted to this
2 state may deduct from premium taxes payable to this state, in addition to all other credits allowed
3 by law, income taxes, franchise taxes, personal property taxes, valuation fees, registration fees
4 and examination fees paid, including taxes and fees paid by the attorney-in-fact of a reciprocal
5 or interinsurance exchange to the extent attributable to the principal business as such
6 attorney-in-fact, under any law of this state. Unless rejected by the general assembly by April
7 1, 2003, for all tax years beginning on or after January 1, 2003, a deduction for examination fees
8 which exceeds an insurance company's or association's premium tax liability for the same tax
9 year shall not be refundable, but may be carried forward to any subsequent tax year, not to
10 exceed five years, until the full deduction is claimed; except that, notwithstanding the provisions
11 of section 148.380, if any deduction is claimed through the carryforward provisions of this
12 section, it shall be credited wholly against the general revenue fund and shall not cause a
13 reduction in revenue to the county foreign insurance fund.

14 **2. Notwithstanding any other provision of law to the contrary, no tax credits shall**
15 **be issued under this section after December 31, 2012, and any tax credit issued before**
16 **January 1, 2013, shall be redeemed before January 1, 2015.**

148.620. 1. Every taxpayer shall be subject to an annual tax for the privilege of
2 exercising its corporate franchises within the state according to and measured by its net income
3 for the preceding year.

4 2. The rate of tax for each taxable year shall be seven percent of such net income.

5 3. The tax imposed on the net income by this law shall be exclusive and in lieu of all
6 other state and local taxes against and upon credit unions and associations, their capital, or
7 income, except taxes on all property, contributions paid pursuant to the unemployment
8 compensation law of Missouri, Social Security taxes, sales and use taxes.

9 4. Each taxpayer shall be entitled to credits against the tax imposed by this law for all
10 taxes paid to the state of Missouri or any political subdivision thereof during the relevant income
11 period, except taxes on real estate and tangible personal property owned by the taxpayer and held
12 for lease or rental to others, contributions paid pursuant to the unemployment compensation law
13 of Missouri, Social Security taxes, sales and use taxes, and taxes imposed by this law.

14 **5. Notwithstanding any other provision of law to the contrary, no tax credits shall**
15 **be issued under this section after December 31, 2012, and any tax credit issued before**
16 **January 1, 2013, shall be redeemed before January 1, 2015.**

148.655. **1.** Subchapter S corporation shareholders of an association required to pay franchise taxes under section 148.620 may take a tax credit against such shareholder's state income tax return, as provided in section 143.471. Such tax credit shall be the taxpayer's pro rata share of the franchise tax paid by the association as provided in this chapter.

2. Notwithstanding any other provision of law to the contrary, no tax credits shall be issued under this section after December 31, 2012, and any tax credit issued before January 1, 2013, shall be redeemed before January 1, 2015.

148.657. **1.** Subchapter S corporation shareholders of a credit institution required to pay franchise taxes under section 148.140 may take a tax credit against such shareholder's state income tax return, as provided in section 143.471. Such tax credit shall be the taxpayer's pro rata share of the franchise tax paid by the credit institution as provided in this chapter.

2. Notwithstanding any other provision of law to the contrary, no tax credits shall be issued under this section after December 31, 2012, and any tax credit issued before January 1, 2013, shall be redeemed before January 1, 2015.

178.762. **1.** If an agreement provides that all or part of program costs are to be met by receipt of retained jobs credit from withholding, such retained jobs credit from withholding shall be determined and paid as follows:

(1) Retained jobs credit from withholding shall be based upon the wages paid to the employees in the retained jobs;

(2) A portion of the total payments made by the employer under section 143.221 shall be designated as the retained jobs credit from withholding. Such portion shall be an amount equal to two and one-half percent of the gross wages paid by the employer for each of the first one hundred jobs included in the project and one and one-half percent of the gross wages paid by the employer for each of the remaining jobs included in the project. If business or employment conditions cause the amount of the retained jobs credit from withholding to be less than the amount projected in the agreement for any time period, then other withholding tax paid by the employer under section 143.221 shall be credited to the Missouri community college retained job training fund by the amount of such difference. The employer shall remit the amount of the retained jobs credit to the department of revenue in the manner prescribed in section 178.764. When all program costs, including the principal, premium, and interest on the certificates have been paid, the employer credits shall cease;

(3) The community college district participating in a project shall establish a special fund for and in the name of the project. All funds appropriated by the general assembly from the Missouri community college job training retention program fund and disbursed by the division of workforce development for the project and other amounts received by the district in respect of the project and required by the agreement to be used to pay program costs for the project shall

23 be deposited in the special fund. Amounts held in the special fund may be used and disbursed
24 by the district only to pay program costs for the project. The special fund may be divided into
25 such accounts and subaccounts as shall be provided in the agreement, and amounts held therein
26 may be invested in investments which are legal for the investment of the district's other funds;
27 (4) Any disbursement in respect of a project received from the division of workforce
28 development under sections 178.760 to 178.764 and the special fund into which it is paid may
29 be irrevocably pledged by a community college district for the payment of the principal,
30 premium, and interest on the certificate issued by a community college district to finance or
31 refinance, in whole or in part, the project;
32 (5) The employer shall certify to the department of revenue that the credit from
33 withholding is in accordance with an agreement and shall provide other information the
34 department may require;
35 (6) An employee participating in a project will receive full credit for the amount
36 designated as a retained jobs credit from withholding and withheld as provided in section
37 143.221;
38 (7) If an agreement provides that all or part of program costs are to be met by receipt of
39 retained jobs credit from withholding, the provisions of this subsection shall also apply to any
40 successor to the original employer until such time as the principal and interest on the certificates
41 have been paid.
42 **2. Notwithstanding any other provision of law to the contrary, no tax credits shall**
43 **be issued under sections 178.760 to 178.764 after December 31, 2012, and any tax credit**
44 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**

178.894. **1.** If an agreement provides that all or part of program costs are to be met by
2 receipt of new jobs credit from withholding, such new jobs credit from withholding shall be
3 determined and paid as follows:
4 (1) New jobs credit from withholding shall be based upon the wages paid to the
5 employees in the new jobs;
6 (2) A portion of the total payments made by the employer pursuant to section 143.221
7 shall be designated as the new jobs credit from withholding. Such portion shall be an amount
8 equal to two and one-half percent of the gross wages paid by the employer for each of the first
9 one hundred jobs included in the project and one and one-half percent of the gross wages paid
10 by the employer for each of the remaining jobs included in the project. If business or
11 employment conditions cause the amount of the new jobs credit from withholding to be less than
12 the amount projected in the agreement for any time period, then other withholding tax paid by
13 the employer pursuant to section 143.221 shall be credited to the Missouri community college
14 job training fund by the amount of such difference. The employer shall remit the amount of the

15 new jobs credit to the department of revenue in the manner prescribed in section 178.896. When
16 all program costs, including the principal of, premium, if any, and interest on the certificates
17 have been paid, the employer credits shall cease;
18 (3) The community college district participating in a project shall establish a special fund
19 for and in the name of the project. All funds appropriated by the general assembly from the
20 Missouri community college job training program fund and disbursed by the division of job
21 development and training for the project and other amounts received by the district in respect of
22 the project and required by the agreement to be used to pay program costs for the project shall
23 be deposited in the special fund. Amounts held in the special fund may be used and disbursed
24 by the district only to pay program costs for the project. The special fund may be divided into
25 such accounts and subaccounts as shall be provided in the agreement, and amounts held therein
26 may be invested in investments which are legal for the investment of the district's other funds;
27 (4) Any disbursement in respect of a project received from the division of job
28 development and training under the provisions of sections 178.892 to 178.896 and the special
29 fund into which it is paid may be irrevocably pledged by a community college district for the
30 payment of the principal of, premium, if any, and interest on the certificate issued by a
31 community college district to finance or refinance, in whole or in part, the project;
32 (5) The employer shall certify to the department of revenue that the credit from
33 withholding is in accordance with an agreement and shall provide other information the
34 department may require;
35 (6) An employee participating in a project will receive full credit for the amount
36 designated as a new jobs credit from withholding and withheld as provided in section 143.221;
37 (7) If an agreement provides that all or part of program costs are to be met by receipt of
38 new jobs credit from withholding, the provisions of this subsection shall also apply to any
39 successor to the original employer until such time as the principal and interest on the certificates
40 have been paid.
41 **2. Notwithstanding any other provision of law to the contrary, no tax credits shall**
42 **be issued under sections 178.892 to 178.896 after December 31, 2012, and any tax credit**
43 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**
191.1056. 1. There is hereby created in the state treasury the "Missouri Health Care
2 Access Fund", which shall consist of gifts, grants, and devises deposited into the fund with
3 approval of the oversight committee created in section 208.955. The state treasurer shall be
4 custodian of the fund and may disburse moneys from the fund in accordance with sections
5 30.170 and 30.180. Disbursements from the fund shall be subject to appropriations and the
6 director shall approve disbursements from the fund consistent with such appropriations to any
7 eligible facility to attract and recruit health care professionals and other necessary personnel, to

8 purchase or rent facilities, to pay for facility expansion or renovation, to purchase office and
9 medical equipment, to pay personnel salaries, or to pay any other costs associated with providing
10 primary health care services to the population in the facility's area of defined need.
11 2. The state of Missouri shall provide matching moneys from the general revenue fund
12 equaling one-half of the amount deposited into the fund. The total annual amount available to
13 the fund from state sources under such a match program shall be five hundred thousand dollars
14 for fiscal year 2008, one million five hundred thousand dollars for fiscal year 2009, and one
15 million dollars annually thereafter.
16 3. The maximum annual donation that any one individual or corporation may make is
17 fifty thousand dollars. Any individual or corporation, excluding nonprofit corporations, that
18 make a contribution to the fund totaling one hundred dollars or more shall receive a tax credit
19 for one-half of all donations made annually under section 135.575. In addition, any office or
20 medical equipment donated to any eligible facility shall be an eligible donation for purposes of
21 receipt of a tax credit under section 135.575 but shall not be eligible for any matching funds
22 under subsection 2 of this section.
23 4. If any clinic or facility **that** has received money from the fund closes or significantly
24 decreases its operations, as determined by the department, within one year of receiving such
25 money, the amount of such money received and the amount of the match provided from the
26 general revenue fund shall be refunded to each appropriate source.
27 5. Notwithstanding the provisions of section 33.080 to the contrary, any moneys
28 remaining in the fund at the end of the biennium shall not revert to the credit of the general
29 revenue fund.
30 6. The state treasurer shall invest moneys in the fund in the same manner as other funds
31 are invested. Any interest and moneys earned on such investments shall be credited to the fund.
32 **7. Notwithstanding any other provision of law to the contrary, no tax credits shall**
33 **be issued under sections 191.1050 to 191.1056 after December 31, 2012, and any tax credit**
34 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**
208.770. 1. Moneys deposited in or withdrawn pursuant to subsection 1 of section
2 208.760 from a family development account by an account holder are exempted from taxation
3 pursuant to chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, and
4 chapter 147, 148 or 153 provided, however, that any money withdrawn for an unapproved use
5 should be subject to tax as required by law.
6 2. Interest earned by a family development account is exempted from taxation pursuant
7 to chapter 143.

3. Any funds in a family development account, including accrued interest, shall be disregarded when determining eligibility to receive, or the amount of, any public assistance or benefits.

4. A program contributor shall be allowed a credit against the tax imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, and chapter 147, 148 or 153, pursuant to sections 208.750 to 208.775. Contributions up to fifty thousand dollars per program contributor are eligible for the tax credit which shall not exceed fifty percent of the contribution amount.

5. The department of economic development shall verify all tax credit claims by contributors. The administrator of the community-based organization, with the cooperation of the participating financial institutions, shall submit the names of contributors and the total amount each contributor contributes to a family development account reserve fund for the calendar year. The director shall determine the date by which such information shall be submitted to the department by the local administrator. The department shall submit verification of qualified tax credits pursuant to sections 208.750 to 208.775 to the department of revenue.

6. For all fiscal years ending on or before June 30, 2010, the total tax credits authorized pursuant to sections 208.750 to 208.775 shall not exceed four million dollars in any fiscal year. For all fiscal years beginning on or after July 1, 2010, the total tax credits authorized under sections 208.750 to 208.775 shall not exceed three hundred thousand dollars in any fiscal year.

7. Notwithstanding any other provision of law to the contrary, no tax credits shall be issued under sections 208.750 to 208.775 after December 31, 2012, and any tax credit issued before January 1, 2013, shall be redeemed before January 1, 2015.

221.407. 1. The commission of any regional jail district may impose, by order, a sales tax in the amount of one-eighth of one percent, one-fourth of one percent, three-eighths of one percent, or one-half of one percent on all retail sales made in such region which are subject to taxation pursuant to the provisions of sections 144.010 to 144.525 for the purpose of providing jail services and court facilities and equipment for such region. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no order imposing a sales tax pursuant to this section shall be effective unless the commission submits to the voters of the district, on any election date authorized in chapter 115, a proposal to authorize the commission to impose a tax.

2. The ballot of submission shall contain, but need not be limited to, the following language:

Shall the regional jail district of ..... (counties' names) impose a region-wide sales tax of ..... (insert amount) for the purpose of providing jail services and court facilities and equipment for the region?

15 ☐ YES ☐ NO
16
17 If you are in favor of the question, place an "X" in the box opposite "Yes". If you are opposed
18 to the question, place an "X" in the box opposite "No".
19
20 If a majority of the votes cast on the proposal by the qualified voters of the district voting thereon
21 are in favor of the proposal, then the order and any amendment to such order shall be in effect
22 on the first day of the second **calendar** quarter **[**immediately following the election approving
23 the proposal**] after the director of revenue receives notification of adoption of the local sales**
24 **tax**. If the proposal receives less than the required majority, the commission shall have no power
25 to impose the sales tax authorized pursuant to this section unless and until the commission shall
26 again have submitted another proposal to authorize the commission to impose the sales tax
27 authorized by this section and such proposal is approved by the required majority of the qualified
28 voters of the district voting on such proposal; however, in no event shall a proposal pursuant to
29 this section be submitted to the voters sooner than twelve months from the date of the last
30 submission of a proposal pursuant to this section.
31 3. All revenue received by a district from the tax authorized pursuant to this section shall
32 be deposited in a special trust fund and shall be used solely for providing jail services and court
33 facilities and equipment for such district for so long as the tax shall remain in effect.
34 4. Once the tax authorized by this section is abolished or terminated by any means, all
35 funds remaining in the special trust fund shall be used solely for providing jail services and court
36 facilities and equipment for the district. Any funds in such special trust fund which are not
37 needed for current expenditures may be invested by the commission in accordance with
38 applicable laws relating to the investment of other county funds.
39 5. All sales taxes collected by the director of revenue pursuant to this section on behalf
40 of any district, less one percent for cost of collection which shall be deposited in the state's
41 general revenue fund after payment of premiums for surety bonds as provided in section 32.087,
42 shall be deposited in a special trust fund, which is hereby created, to be known as the "Regional
43 Jail District Sales Tax Trust Fund". The moneys in the regional jail district sales tax trust fund
44 shall not be deemed to be state funds and shall not be commingled with any funds of the state.
45 The director of revenue shall keep accurate records of the amount of money in the trust fund
46 which was collected in each district imposing a sales tax pursuant to this section, and the records
47 shall be open to the inspection of officers of each member county and the public. Not later than
48 the tenth day of each month the director of revenue shall distribute all moneys deposited in the
49 trust fund during the preceding month to the district which levied the tax. Such funds shall be
50 deposited with the treasurer of each such district, and all expenditures of funds arising from the

regional jail district sales tax trust fund shall be paid pursuant to an appropriation adopted by the commission and shall be approved by the commission. Expenditures may be made from the fund for any function authorized in the order adopted by the commission submitting the regional jail district tax to the voters.

6. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any district for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such districts. If any district abolishes the tax, the commission shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal, and the director of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of the tax in such district, the director of revenue shall remit the balance in the account to the district and close the account of that district. The director of revenue shall notify each district in each instance of any amount refunded or any check redeemed from receipts due the district.

7. Except as provided in this section, all provisions of sections 32.085 and 32.087 shall apply to the tax imposed pursuant to this section.

8. The provisions of this section shall expire September 30, 2015.

238.235. 1. (1) Any transportation development district may by resolution impose a transportation development district sales tax on all retail sales made in such transportation development district which are subject to taxation pursuant to the provisions of sections 144.010 to 144.525, except such transportation development district sales tax shall not apply to the sale or use of motor vehicles, trailers, boats or outboard motors **[**nor to all sales of electricity or electrical current, water and gas, natural or artificial, nor to sales of service to telephone subscribers, either local or long distance**]**. Such transportation development district sales tax may be imposed for any transportation development purpose designated by the transportation development district in its ballot of submission to its qualified voters, except that no resolution enacted pursuant to the authority granted by this section shall be effective unless:

(a) The board of directors of the transportation development district submits to the qualified voters of the transportation development district a proposal to authorize the board of directors of the transportation development district to impose or increase the levy of an existing tax pursuant to the provisions of this section; or

(b) The voters approved the question certified by the petition filed pursuant to subsection 5 of section 238.207.

17 (2) If the transportation district submits to the qualified voters of the transportation
18 development district a proposal to authorize the board of directors of the transportation
19 development district to impose or increase the levy of an existing tax pursuant to the provisions
20 of paragraph (a) of subdivision (1) of this subsection, the ballot of submission shall contain, but
21 need not be limited to, the following language:
22 Shall the transportation development district of ..... (transportation development
23 district's name) impose a transportation development district-wide sales tax at the rate of .....
24 (insert amount) for a period of ..... (insert number) years from the date on which such tax is
25 first imposed for the purpose of ..... (insert transportation development purpose)?
26 ☐ YES ☐ NO
27
28 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
29 to the question, place an "X" in the box opposite "NO".
30
31 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
32 of the proposal, then the resolution and any amendments thereto shall be in effect. If a majority
33 of the votes cast by the qualified voters voting are opposed to the proposal, then the board of
34 directors of the transportation development district shall have no power to impose the sales tax
35 authorized by this section unless and until the board of directors of the transportation
36 development district shall again have submitted another proposal to authorize it to impose the
37 sales tax pursuant to the provisions of this section and such proposal is approved by a majority
38 of the qualified voters voting thereon.
39 (3) **[**The sales tax authorized by this section shall become effective on the first day of the
40 second calendar quarter after the department of revenue receives notification of the tax.
41 (4) In each transportation development district in which a sales tax has been imposed in
42 the manner provided by this section, every retailer shall add the tax imposed by the transportation
43 development district pursuant to this section to the retailer's sale price, and when so added such
44 tax shall constitute a part of the price, shall be a debt of the purchaser to the retailer until paid,
45 and shall be recoverable at law in the same manner as the purchase price.
46 (5) In order to permit sellers required to collect and report the sales tax authorized by this
47 section to collect the amount required to be reported and remitted, but not to change the
48 requirements of reporting or remitting tax or to serve as a levy of the tax, and in order to avoid
49 fractions of pennies, the transportation development district may establish appropriate brackets
50 which shall be used in the district imposing a tax pursuant to this section in lieu of those brackets
51 provided in section 144.285.

52 (6)**]** All revenue received by a transportation development district from the tax
53 authorized by this section which has been designated for a certain transportation development
54 purpose shall be deposited in a special trust fund and shall be used solely for such designated
55 purpose. Upon the expiration of the period of years approved by the qualified voters pursuant
56 to subdivision (2) of this subsection or if the tax authorized by this section is repealed pursuant
57 to subsection 6 of this section, all funds remaining in the special trust fund shall continue to be
58 used solely for such designated transportation development purpose. Any funds in such special
59 trust fund which are not needed for current expenditures may be invested by the board of
60 directors in accordance with applicable laws relating to the investment of other transportation
61 development district funds.

62 **[**(7)**] (4)** The sales tax may be imposed in increments of one-eighth of one percent, up
63 to a maximum of one percent on the receipts from the sale at retail of all tangible personal
64 property or taxable services at retail within the transportation development district adopting such
65 tax, if such property and services are subject to taxation by the state of Missouri pursuant to the
66 provisions of sections 144.010 to 144.525, except such transportation development district sales
67 tax shall not apply to the sale or use of motor vehicles, trailers, boats or outboard motors **[**nor to
68 public utilities**]**. Any transportation development district sales tax imposed pursuant to this
69 section shall be imposed at a rate that shall be uniform throughout the district.

70 2. The resolution imposing the sales tax pursuant to this section shall impose upon all
71 sellers a tax for the privilege of engaging in the business of selling tangible personal property or
72 rendering taxable services at retail to the extent and in the manner provided in sections 144.010
73 to 144.525, and the rules and regulations of the director of revenue issued pursuant thereto;
74 except that the rate of the tax shall be the rate imposed by the resolution as the sales tax and the
75 tax shall be reported and returned to and collected by the transportation development district.

76 3. **[**On and after the effective date of any tax imposed pursuant to this section, the
77 director of revenue shall perform all functions incident to the administration, collection,
78 enforcement, and operation of the tax, and the director of revenue shall collect, in addition to all
79 other sales taxes imposed by law, the additional tax authorized pursuant to this section. The tax
80 imposed pursuant to this section and the taxes imposed pursuant to all other laws of the state of
81 Missouri shall be collected together and reported upon such forms and pursuant to such
82 administrative rules and regulations as may be prescribed by the director of revenue.

83 4. (1) All applicable provisions contained in sections 144.010 to 144.525, governing the
84 state sales tax, sections 32.085 and 32.087 and section 32.057, the uniform confidentiality
85 provision, shall apply to the collection of the tax imposed by this section, except as modified in
86 this section.

87 (2) All exemptions granted to agencies of government, organizations, persons and to the
88 sale of certain articles and items of tangible personal property and taxable services pursuant to
89 the provisions of sections 144.010 to 144.525 are hereby made applicable to the imposition and
90 collection of the tax imposed by this section.
91 (3) The same sales tax permit, exemption certificate and retail certificate required by
92 sections 144.010 to 144.525 for the administration and collection of the state sales tax shall
93 satisfy the requirements of this section, and no additional permit or exemption certificate or retail
94 certificate shall be required; except that the transportation development district may prescribe
95 a form of exemption certificate for an exemption from the tax imposed by this section.
96 (4) All discounts allowed the retailer pursuant to the provisions of the state sales tax laws
97 for the collection of and for payment of taxes pursuant to such laws are hereby allowed and made
98 applicable to any taxes collected pursuant to the provisions of this section.
99 (5) The penalties provided in section 32.057 and sections 144.010 to 144.525 for
100 violation of those sections are hereby made applicable to violations of this section.
101 (6) For the purpose of a sales tax imposed by a resolution pursuant to this section, all
102 retail sales except retail sales of motor vehicles shall be deemed to be consummated at the place
103 of business of the retailer unless the tangible personal property sold is delivered by the retailer
104 or the retailer's agent to an out-of-state destination or to a common carrier for delivery to an
105 out-of-state destination. In the event a retailer has more than one place of business in this state
106 which participates in the sale, the sale shall be deemed to be consummated at the place of
107 business of the retailer where the initial order for the tangible personal property is taken, even
108 though the order must be forwarded elsewhere for acceptance, approval of credit, shipment or
109 billing. A sale by a retailer's employee shall be deemed to be consummated at the place of
110 business from which the employee works.
111 5.**]** All sales taxes received by the transportation development district shall be deposited
112 by the director of revenue in a special fund to be expended for the purposes authorized in this
113 section. The director of revenue shall keep accurate records of the amount of money which was
114 collected pursuant to this section, and the records shall be open to the inspection of officers of
115 each transportation development district and the general public.
116 **[**6.**] 4.** (1) No transportation development district imposing a sales tax pursuant to this
117 section may repeal or amend such sales tax unless such repeal or amendment will not impair the
118 district's ability to repay any liabilities which it has incurred, money which it has borrowed or
119 revenue bonds, notes or other obligations which it has issued or which have been issued by the
120 commission or any local transportation authority to finance any project or projects.
121 (2) Whenever the board of directors of any transportation development district in which
122 a transportation development sales tax has been imposed in the manner provided by this section

receives a petition, signed by ten percent of the qualified voters calling for an election to repeal such transportation development sales tax, the board of directors shall, if such repeal will not impair the district's ability to repay any liabilities which it has incurred, money which it has borrowed or revenue bonds, notes or other obligations which it has issued or which have been issued by the commission or any local transportation authority to finance any project or projects, submit to the qualified voters of such transportation development district a proposal to repeal the transportation development sales tax imposed pursuant to the provisions of this section. If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of the proposal to repeal the transportation development sales tax, then the resolution imposing the transportation development sales tax, along with any amendments thereto, is repealed. If a majority of the votes cast by the qualified voters voting thereon are opposed to the proposal to repeal the transportation development sales tax, then the ordinance or resolution imposing the transportation development sales tax, along with any amendments thereto, shall remain in effect.

[7.**]** **5.** Notwithstanding any provision of sections 99.800 to 99.865 and this section to the contrary, the sales tax imposed by a district whose project is a public mass transportation system shall not be considered economic activity taxes as such term is defined under sections 99.805 and 99.918 and shall not be subject to allocation under the provisions of subsection 3 of section 99.845, or subsection 4 of section 99.957.

6. After the effective date of any tax imposed under the provisions of this section, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax and collect, in addition to the sales tax for the state of Missouri, the additional tax authorized under the authority of this section. The tax imposed under this section and the tax imposed under the sales tax law of the state of Missouri shall be collected together and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue.

7. Except as provided in this section, all provisions of sections 32.085 to 32.087 shall apply to the tax imposed under this section.

238.410. 1. Any county transit authority established pursuant to section 238.400 may impose a sales tax of up to one percent on all retail sales made in such county which are subject to taxation under the provisions of sections 144.010 to 144.525. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no sales tax imposed under the provisions of this section shall be effective unless the governing body of the county, on behalf of the transit authority, submits to the voters of the county, at a county or state general, primary or special election, a proposal to authorize the transit authority to impose a tax.

9 2. The ballot of submission shall contain, but need not be limited to, the following
10 language:
11 Shall the ..... Transit Authority impose a countywide sales tax of ..... (insert
12 amount) in order to provide revenues for the operation of transportation facilities operated by the
13 transit authority?
14 ☐ YES ☐ NO
15
16 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
17 to the question, place an "X" in the box opposite "NO". If a majority of the votes cast on the
18 proposal by the qualified voters voting thereon are in favor of the proposal, then the tax shall
19 become effective on the first day of the second calendar quarter following notification to the
20 department of revenue of adoption of the tax. If a majority of the votes cast by the qualified
21 voters voting are opposed to the proposal, then the transit authority shall have no power to
22 impose the sales tax authorized by this section unless and until another proposal to authorize the
23 transit authority to impose the sales tax authorized by this section has been submitted and such
24 proposal is approved by a majority of the qualified voters voting thereon.
25 3. All revenue received by the transit authority from the tax authorized under the
26 provisions of this section shall be deposited in a special trust fund and shall be used solely by the
27 transit authority for construction, purchase, lease, maintenance and operation of transportation
28 facilities located within the county for so long as the tax shall remain in effect. Any funds in
29 such special trust fund which are not needed for current expenditures may be invested by the
30 transit authority in accordance with applicable laws relating to the investment of county funds.
31 4. No transit authority imposing a sales tax pursuant to this section may repeal or amend
32 such sales tax unless such repeal or amendment is submitted to and approved by the voters of
33 the county in the same manner as provided in subsection 1 of this section for approval of such
34 tax. Whenever the governing body of any county in which a sales tax has been imposed in the
35 manner provided by this section receives a petition, signed by ten percent of the registered voters
36 of such county voting in the last gubernatorial election, calling for an election to repeal such sales
37 tax, the governing body shall submit to the voters of such county a proposal to repeal the sales
38 tax imposed under the provisions of this section. If a majority of the votes cast on the proposal
39 by the registered voters voting thereon are in favor of the proposal to repeal the sales tax, then
40 such sales tax is repealed. If a majority of the votes cast by the registered voters voting thereon
41 are opposed to the proposal to repeal the sales tax, then such sales tax shall remain in effect.
42 5. The sales tax imposed under the provisions of this section shall impose upon all sellers
43 a tax for the privilege of engaging in the business of selling tangible personal property or
44 rendering taxable services at retail to the extent and in the manner provided in sections 144.010

45 to 144.525 and the rules and regulations of the director of revenue issued pursuant thereto;
46 except that the rate of the tax shall be the rate approved pursuant to this section. The amount
47 reported and returned to the director of revenue by the seller shall be computed on the basis of
48 the combined rate of the tax imposed by sections 144.010 to 144.525 and the tax imposed by this
49 section, plus any amounts imposed under other provisions of law.

50 6. After the effective date of any tax imposed under the provisions of this section, the
51 director of revenue shall perform all functions incident to the administration, collection,
52 enforcement, and operation of the tax, and the director of revenue shall collect in addition to the
53 sales tax for the state of Missouri the additional tax authorized under the authority of this section.
54 The tax imposed under this section and the tax imposed under the sales tax law of the state of
55 Missouri shall be collected together and reported upon such forms and under such administrative
56 rules and regulations as may be prescribed by the director of revenue. In order to permit sellers
57 required to collect and report the sales tax to collect the amount required to be reported and
58 remitted, but not to change the requirements of reporting or remitting tax or to serve as a levy
59 of the tax, and in order to avoid fractions of pennies, the applicable provisions of section 144.285
60 shall apply to all taxable transactions.

61 7. All applicable provisions contained in sections 144.010 to 144.525 governing the state
62 sales tax and section 32.057, the uniform confidentiality provision, shall apply to the collection
63 of the tax imposed by this section, except as modified in this section. All exemptions granted
64 to agencies of government, organizations, persons and to the sale of certain articles and items of
65 tangible personal property and taxable services under the provisions of sections 144.010 to
66 144.525 are hereby made applicable to the imposition and collection of the tax imposed by this
67 section. The same sales tax permit, exemption certificate and retail certificate required by
68 sections 144.010 to 144.525 for the administration and collection of the state sales tax shall
69 satisfy the requirements of this section, and no additional permit or exemption certificate or retail
70 certificate shall be required; except that the director of revenue may prescribe a form of
71 exemption certificate for an exemption from the tax imposed by this section. All discounts
72 allowed the retailer under the provisions of the state sales tax law for the collection of and for
73 payment of taxes under chapter 144 are hereby allowed and made applicable to any taxes
74 collected under the provisions of this section. The penalties provided in section 32.057 and
75 sections 144.010 to 144.525 for a violation of those sections are hereby made applicable to
76 violations of this section.

77 8. **[**For the purposes of a sales tax imposed pursuant to this section, all retail sales shall
78 be deemed to be consummated at the place of business of the retailer, except for tangible
79 personal property sold which is delivered by the retailer or his agent to an out-of-state destination
80 or to a common carrier for delivery to an out-of-state destination and except for the sale of motor

vehicles, trailers, boats and outboard motors, which is provided for in subsection 12 of this section. In the event a retailer has more than one place of business in this state which participates in the sale, the sale shall be deemed to be consummated at the place of business of the retailer where the initial order for the tangible personal property is taken, even though the order must be forwarded elsewhere for acceptance, approval of credit, shipment or billing. A sale by a retailer's employee shall be deemed to be consummated at the place of business from which he works.

9.**]** All sales taxes collected by the director of revenue under this section on behalf of any transit authority, less one percent for cost of collection which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in this section, shall be deposited in the state treasury in a special trust fund, which is hereby created, to be known as the "County Transit Authority Sales Tax Trust Fund". The moneys in the county transit authority sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state. The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each transit authority imposing a sales tax under this section, and the records shall be open to the inspection of officers of the county and the public. Not later than the tenth day of each month the director of revenue shall distribute all moneys deposited in the trust fund during the preceding month to the transit authority which levied the tax.

[10.**] 9.** The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any transit authority for erroneous payments and overpayments made, and may authorize the state treasurer to redeem dishonored checks and drafts deposited to the credit of such transit authorities. If any transit authority abolishes the tax, the transit authority shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal and the director of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of the tax in such transit authority, the director of revenue shall authorize the state treasurer to remit the balance in the account to the transit authority and close the account of that transit authority. The director of revenue shall notify each transit authority of each instance of any amount refunded or any check redeemed from receipts due the transit authority. The director of revenue shall annually report on his management of the trust fund and administration of the sales taxes authorized by this section. He shall provide each transit authority imposing the tax authorized by this section with a detailed accounting of the source of all funds received by him for the transit authority.

117 **[**11.**] 10.** The director of revenue and any of his deputies, assistants and employees who
118 shall have any duties or responsibilities in connection with the collection, deposit, transfer,
119 transmittal, disbursement, safekeeping, accounting, or recording of funds which come into the
120 hands of the director of revenue under the provisions of this section shall enter a surety bond or
121 bonds payable to any and all transit authorities in whose behalf such funds have been collected
122 under this section in the amount of one hundred thousand dollars; but the director of revenue
123 may enter into a blanket bond or bonds covering himself and all such deputies, assistants and
124 employees. The cost of the premium or premiums for the surety bond or bonds shall be paid by
125 the director of revenue from the share of the collection retained by the director of revenue for the
126 benefit of the state.

127 **[**12.**] 11.** Sales taxes imposed pursuant to this section and use taxes on the purchase and
128 sale of motor vehicles, trailers, boats, and outboard motors shall not be collected and remitted
129 by the seller, but shall be collected by the director of revenue at the time application is made for
130 a certificate of title, if the address of the applicant is within a county where a sales tax is imposed
131 under this section. The amounts so collected, less the one percent collection cost, shall be
132 deposited in the county transit authority sales tax trust fund. The purchase or sale of motor
133 vehicles, trailers, boats, and outboard motors shall be deemed to be consummated at the address
134 of the applicant. As used in this subsection, the term "boat" shall only include motorboats and
135 vessels as the terms "motorboat" and "vessel" are defined in section 306.010.

136 **[**13.**] 12.** In any county where the transit authority sales tax has been imposed, if any
137 person is delinquent in the payment of the amount required to be paid by him under this section
138 or in the event a determination has been made against him for taxes and penalty under this
139 section, the limitation for bringing suit for the collection of the delinquent tax and penalty shall
140 be the same as that provided in sections 144.010 to 144.525. Where the director of revenue has
141 determined that suit must be filed against any person for the collection of delinquent taxes due
142 the state under the state sales tax law, and where such person is also delinquent in payment of
143 taxes under this section, the director of revenue shall notify the transit authority to which
144 delinquent taxes are due under this section by United States registered mail or certified mail at
145 least ten days before turning the case over to the attorney general. The transit authority, acting
146 through its attorney, may join in such suit as a party plaintiff to seek a judgment for the
147 delinquent taxes and penalty due such transit authority. In the event any person fails or refuses
148 to pay the amount of any sales tax due under this section, the director of revenue shall promptly
149 notify the transit authority to which the tax would be due so that appropriate action may be taken
150 by the transit authority.

151 **[**14.**] 13.** Where property is seized by the director of revenue under the provisions of any
152 law authorizing seizure of the property of a taxpayer who is delinquent in payment of the tax

153 imposed by the state sales tax law, and where such taxpayer is also delinquent in payment of any
154 tax imposed by this section, the director of revenue shall permit the transit authority to join in
155 any sale of property to pay the delinquent taxes and penalties due the state and to the transit
156 authority under this section. The proceeds from such sale shall first be applied to all sums due
157 the state, and the remainder, if any, shall be applied to all sums due such transit authority under
158 this section.

159 **[**15. The transit authority created under the provisions of sections 238.400 to 238.412
160 shall notify any and all affected businesses of the change in tax rate caused by the imposition of
161 the tax authorized by sections 238.400 to 238.412.

162 16.**] 14.** In the event that any transit authority in any county with a charter form of
163 government and with more than two hundred fifty thousand but fewer than three hundred fifty
164 thousand inhabitants submits a proposal in any election to increase the sales tax under this
165 section, and such proposal is approved by the voters, the county shall be reimbursed for the costs
166 of submitting such proposal from the funds derived from the tax levied under this section.

167 **15. Except as provided in sections 238.400 to 238.412, all provisions of sections**
168 **32.085 to 32.087 shall apply to the tax imposed under sections 238.410 to 238.412.**

253.550. 1. Any taxpayer incurring costs and expenses for the rehabilitation of eligible
2 property, which is a certified historic structure or structure in a certified historic district, may,
3 subject to the provisions of this section and section 253.559, receive a credit against the taxes
4 imposed pursuant to chapters 143 and 148, except for sections 143.191 to 143.265, on such
5 taxpayer in an amount equal to twenty-five percent of the total costs and expenses of
6 rehabilitation incurred after January 1, 1998, which shall include, but not be limited to, qualified
7 rehabilitation expenditures as defined under section 47(c)(2)(A) of the Internal Revenue Code
8 of 1986, as amended, and the related regulations thereunder, provided the rehabilitation costs
9 associated with rehabilitation and the expenses exceed fifty percent of the total basis in the
10 property and the rehabilitation meets standards consistent with the standards of the Secretary of
11 the United States Department of the Interior for rehabilitation as determined by the state historic
12 preservation officer of the Missouri department of natural resources.

13 2. During the period beginning on January 1, 2010, but ending on or after June 30, 2010,
14 the department of economic development shall not approve applications for tax credits under the
15 provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed seventy
16 million dollars, increased by any amount of tax credits for which approval shall be rescinded
17 under the provisions of section 253.559. For each fiscal year beginning on or after July 1, 2010,
18 the department of economic development shall not approve applications for tax credits under the
19 provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed one
20 hundred forty million dollars, increased by any amount of tax credits for which approval shall

21 be rescinded under the provisions of section 253.559. The limitations provided under this
22 subsection shall not apply to applications approved under the provisions of subsection 3 of
23 section 253.559 for projects to receive less than two hundred seventy-five thousand dollars in
24 tax credits.

25 3. For all applications for tax credits approved on or after January 1, 2010, no more than
26 two hundred fifty thousand dollars in tax credits may be issued for eligible costs and expenses
27 incurred in the rehabilitation of an eligible property which is a nonincome producing
28 single-family, owner-occupied residential property and is either a certified historic structure or
29 a structure in a certified historic district.

30 4. The limitations on tax credit authorization provided under the provisions of
31 subsections 2 and 3 of this section shall not apply to:

32 (1) Any application submitted by a taxpayer, which has received approval from the
33 department prior to January 1, 2010; or

34 (2) Any taxpayer applying for tax credits, provided under this section, which, on or
35 before January 1, 2010, has filed an application with the department evidencing that such
36 taxpayer:

37 (a) Has incurred costs and expenses for an eligible property which exceed the lesser of
38 five percent of the total project costs or one million dollars and received an approved Part I from
39 the Secretary of the United States Department of Interior; or

40 (b) Has received certification, by the state historic preservation officer, that the
41 rehabilitation plan meets the standards consistent with the standards of the Secretary of the
42 United States Department of the Interior, and the rehabilitation costs and expenses associated
43 with such rehabilitation shall exceed fifty percent of the total basis in the property.

44 **5. Notwithstanding any other provision of law to the contrary, no tax credits shall**
45 **be issued under sections 253.545 to 253.559 after December 31, 2012, and any tax credit**
46 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**

348.302. 1. Any person who makes a qualified contribution to a qualified fund shall be
2 entitled to receive a tax credit equal to fifty percent of the amount of the qualified contribution.
3 The tax credit shall be evidenced by a tax credit certificate in accordance with the provisions of
4 sections 348.300 to 348.318 and may be used to satisfy the state tax liability of the owner of such
5 certificate that becomes due in the tax year in which the qualified contribution is made, or in any
6 of the ten tax years thereafter. No person may receive a tax credit pursuant to sections 348.300
7 to 348.318 unless that person presents a tax credit certificate to the department of revenue for
8 payment of such state tax liability.

9 2. The amount of such qualified contributions which can be made is limited so that the
10 aggregate of all tax credits authorized under the provisions of sections 348.300 to 348.318 shall

11 not exceed nine million dollars. All tax credits authorized under the provisions of this section
12 may be transferred, sold or assigned.
13 **3. Notwithstanding any other provision of law to the contrary, no tax credits shall**
14 **be issued under sections 348.300 to 348.318 after December 31, 2012, and any tax credit**
15 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**

348.434. 1. The aggregate of tax credits issued per fiscal year pursuant to sections
2 348.430 and 348.432 shall not exceed six million dollars.
3 2. Upon July 2, 1999, and ending June 30, 2000, tax credits shall be issued pursuant to
4 section 348.430, except that, the authority shall allocate no more than three million dollars to
5 fund section 348.432 in fiscal year 2000. Beginning in fiscal year 2001 and each subsequent
6 year, tax credits shall be issued pursuant to section 348.432.
7 3. Beginning the first day of May of each fiscal year following implementation of section
8 348.432, the authority may determine the extent of tax credits, pursuant to section 348.432, that
9 will be utilized in each fiscal year. If the authority determines that:
10 (1) Less than six million dollars for a fiscal year is to be utilized in tax credits pursuant
11 to section 348.432; and
12 (2) The assets available to the authority, pursuant to section 348.430, do not exceed
13 twelve million dollars; then, the authority may offer the remaining authorized tax credits be
14 issued pursuant to section 348.430.
15 **4. Notwithstanding any other provision of law to the contrary, no tax credits shall**
16 **be issued under sections 348.430 to 348.439 after December 31, 2012, and any tax credit**
17 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**

348.505. 1. As used in this section, "state tax liability"**[,] means** any state tax liability
2 incurred by a taxpayer under the provisions of chapters 143, 147, and 148, exclusive of the
3 provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265 and
4 related provisions.
5 2. Any eligible lender under the family farm livestock loan program under section
6 348.500 shall be entitled to receive a tax credit equal to one hundred percent of the amount of
7 interest waived by the lender under section 348.500 on a qualifying loan for the first year of the
8 loan only. The tax credit shall be evidenced by a tax credit certificate issued by the agricultural
9 and small business development authority and may be used to satisfy the state tax liability of the
10 owner of such certificate that becomes due in the tax year in which the interest on a qualified
11 loan is waived by the lender under section 348.500. No lender may receive a tax credit under
12 this section unless such person presents a tax credit certificate to the department of revenue for
13 payment of such state tax liability. The amount of the tax credits that may be issued to all

14 eligible lenders claiming tax credits authorized in this section in a fiscal year shall not exceed
15 three hundred thousand dollars.
16 3. The agricultural and small business development authority shall be responsible for the
17 administration and issuance of the certificate of tax credits authorized by this section. The
18 authority shall issue a certificate of tax credit at the request of any lender. Each request shall
19 include a true copy of the loan documents, the name of the lender who is to receive a certificate
20 of tax credit, the type of state tax liability against which the tax credit is to be used, and the
21 amount of the certificate of tax credit to be issued to the lender based on the interest waived by
22 the lender under section 348.500 on the loan for the first year.
23 4. The Missouri department of revenue shall accept a certificate of tax credit in lieu of
24 other payment in such amount as is equal to the lesser of the amount of the tax or the remaining
25 unused amount of the credit as indicated on the certificate of tax credit, and shall indicate on the
26 certificate of tax credit the amount of tax thereby paid and the date of such payment.
27 5. The following provisions shall apply to tax credits authorized under this section:
28 (1) Tax credits claimed in a taxable year may be claimed on a quarterly basis and applied
29 to the estimated quarterly tax of the lender;
30 (2) Any amount of tax credit which exceeds the tax due, including any estimated
31 quarterly taxes paid by the lender under subdivision (1) of this subsection which results in an
32 overpayment of taxes for a taxable year, shall not be refunded but may be carried over to any
33 subsequent taxable year, not to exceed a total of three years for which a tax credit may be taken
34 for a qualified family farm livestock loan;
35 (3) Notwithstanding any provision of law to the contrary, a lender may assign, transfer
36 or sell tax credits authorized under this section, with the new owner of the tax credit receiving
37 the same rights in the tax credit as the lender. For any tax credits assigned, transferred, sold, or
38 otherwise conveyed, a notarized endorsement shall be filed by the lender with the authority
39 specifying the name and address of the new owner of the tax credit and the value of such tax
40 credit; and
41 (4) Notwithstanding any other provision of this section to the contrary, any commercial
42 bank may use tax credits created under this section as provided in section 148.064 and receive
43 a net tax credit against taxes actually paid in the amount of the first year's interest on loans made
44 under this section. If such first year tax credits reduce taxes due as provided in section 148.064
45 to zero, the remaining tax credits may be carried over as otherwise provided in this section and
46 utilized as provided in section 148.064 in subsequent years.
47 **6. Notwithstanding any other provision of law to the contrary, no tax credits shall**
48 **be issued under this section after December 31, 2012, and any tax credit issued before**
49 **January 1, 2013, shall be redeemed before January 1, 2015.**

375.774. 1. The association shall issue to each insurer paying an assessment under sections 375.771 to 375.779 a certificate of contribution, in appropriate form and terms as prescribed by the director, for the amount so paid. All outstanding certificates shall be of equal dignity and priority without reference to amounts or dates of issue.

2. A certificate of contribution may be shown by the insurer in its financial statements as an admitted asset for such amount and period of time, as follows:

(1) One hundred percent for the calendar year of issuance;

(2) Sixty-six and two-thirds percent for the first calendar year after the year of issuance;

(3) Thirty-three and one-third percent for the second year after the year of issuance which shall be the last year each such certificate shall be carried as an asset.

3. The insurer shall be entitled to a credit against the premium tax liability under sections 148.310 to 148.461 for contributions paid to the association. This tax credit shall be taken over a period of the three successive tax years beginning after the year of contribution at the rate of thirty-three and one-third percent, per year, of the contribution paid to the association, and such credit shall not be subject to subsection 1 of section 375.916.

4. Any sums recovered by the association representing sums which have theretofore been written off by contributing insurers and offset against premium taxes as provided in subsection 3 of this section shall be paid by the association to the director of revenue who shall handle such funds in the same manner as provided in section 148.380.

5. The association shall be exempt from payment of all fees and all capitation or poll and excise taxes levied by this state or any of its political subdivisions and the real and personal property of the association is hereby declared to be property actually and regularly used exclusively for purposes purely charitable and not held for private or corporate profit within the meaning of subdivision (5) of section 137.100**[**, RSMo 1986**]**.

6. Notwithstanding any other provision of law to the contrary, no tax credits shall be issued under sections 375.771 to 375.779 after December 31, 2012, and any tax credit issued before January 1, 2013, shall be redeemed before January 1, 2015.

376.745. 1. A member insurer may offset against its premium tax liability to this state an assessment described in section 376.738 to the extent of twenty percent of the amount of such assessment for each of the five calendar years following the year in which such assessment was paid. In the event a member insurer should cease doing business, all uncredited assessments may be credited against its premium tax liability for the year it ceases doing business.

2. A member insurer exempt from chapter 148 may offset against its sales or use tax liability to this state an assessment described in section 376.738 to the extent of twenty percent of the amount of such assessment for each of the five calendar years following the year in which such assessment was paid. In the event a member insurer should cease doing business, all

10 uncredited assessments may be credited against its sales or use tax liability for the year it ceases
11 doing business.
12 3. Any sums which are acquired by refund, pursuant to the provisions of section 376.738,
13 from the association by member insurers, and which have theretofore been offset against
14 premium taxes as provided in subsection 1 of this section or have theretofore been offset against
15 sales or use taxes as provided in subsection 2 of this section, shall be paid by such insurers to this
16 state in such manner as the tax authorities may require. The association shall notify the director
17 that such refunds have been made.
18 **4. Notwithstanding any other provision of law to the contrary, no tax credits shall**
19 **be issued under sections 376.715 to 376.758 after December 31, 2012, and any tax credit**
20 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**

376.975. **1.** Each member's proportion of participation in the pool shall be determined
2 annually by the board based on annual statements and other reports deemed necessary by the
3 board and filed by the member with it. Any deficit incurred by the pool shall be recouped by
4 assessments apportioned as provided in subsections 1, 2, and 3 of section 376.973 by the board
5 among members. The amount of assessments incurred by each member of the pool shall be
6 allowed as an offset against certain taxes, and shall be subject to certain limitations, as follows:
7 Each pool member subject to chapter 148 may deduct from premium taxes payable for any
8 calendar year to the state any and all assessments paid for the same year pursuant to sections
9 376.960 to 376.989. All assessments, for a fiscal year, shall not exceed the net premium tax due
10 and payable by such member in the previous year. If the assessment exceeds any premium tax
11 due or payable in such year, the excess shall be a credit or offset carried forward against any
12 premium tax due or payable in succeeding years until the excess is exhausted.
13 **2. Notwithstanding any other provision of law to the contrary, no tax credits shall**
14 **be issued under sections 376.960 to 376.989 after December 31, 2012, and any tax credit**
15 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**

376.980. **1.** Each pool member exempt from chapter 148 shall be allowed to offset
2 against any sales or use tax on purchases due, paid, or payable in the calendar year in which such
3 assessments are made. Further, such assessment, for any fiscal year, shall not exceed one percent
4 of nongroup premium income, exclusive of Medicare supplement programs, received in the
5 previous year. If the assessment exceeds the part of any sales tax or use tax due or payable in
6 such year, the excess shall be a credit or offset carried forward against the part of any sales tax
7 or use tax due or payable in succeeding years until the excess is exhausted. The director of
8 revenue, in consultation with the board, shall promulgate and enforce reasonable rules and
9 regulations and prescribe forms for the administration and enforcement of this law.

2. Notwithstanding any other provision of law to the contrary, no tax credits shall be issued under sections 376.960 to 376.989 after December 31, 2012, and any tax credit issued before January 1, 2013, shall be redeemed before January 1, 2015.

447.708. 1. For eligible projects, the director of the department of economic development, with notice to the directors of the departments of natural resources and revenue, and subject to the other provisions of sections 447.700 to 447.718, may not create a new enterprise zone but may decide that a prospective operator of a facility being remedied and renovated pursuant to sections 447.700 to 447.718 may receive the tax credits and exemptions pursuant to sections 135.100 to 135.150 and sections 135.200 to 135.257. The tax credits allowed pursuant to this subsection shall be used to offset the tax imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or the tax otherwise imposed by chapter 147, or the tax otherwise imposed by chapter 148. For purposes of this subsection:

(1) For receipt of the ad valorem tax abatement pursuant to section 135.215, the eligible project must create at least ten new jobs or retain businesses which supply at least twenty-five existing jobs. The city, or county if the eligible project is not located in a city, must provide ad valorem tax abatement of at least fifty percent for a period not less than ten years and not more than twenty-five years;

(2) For receipt of the income tax exemption pursuant to section 135.220 and tax credit for new or expanded business facilities pursuant to sections 135.100 to 135.150, and 135.225, the eligible project must create at least ten new jobs or retain businesses which supply at least twenty-five existing jobs, or combination thereof. For purposes of sections 447.700 to 447.718, the tax credits described in section 135.225 are modified as follows: the tax credit shall be four hundred dollars per employee per year, an additional four hundred dollars per year for each employee exceeding the minimum employment thresholds of ten and twenty-five jobs for new and existing businesses, respectively, an additional four hundred dollars per year for each person who is a person difficult to employ as defined by section 135.240, and investment tax credits at the same amounts and levels as provided in subdivision (4) of subsection 1 of section 135.225;

(3) For eligibility to receive the income tax refund pursuant to section 135.245, the eligible project must create at least ten new jobs or retain businesses which supply at least twenty-five existing jobs, or combination thereof, and otherwise comply with the provisions of section 135.245 for application and use of the refund and the eligibility requirements of this section;

(4) The eligible project operates in compliance with applicable environmental laws and regulations, including permitting and registration requirements, of this state as well as the federal and local requirements;

33 (5) The eligible project operator shall file such reports as may be required by the director
34 of economic development or the director's designee;
35 (6) The taxpayer may claim the state tax credits authorized by this subsection and the
36 state income exemption for a period not in excess of ten consecutive tax years. For the purpose
37 of this section, "taxpayer" means an individual proprietorship, partnership or corporation
38 described in section 143.441 or 143.471 who operates an eligible project. The director shall
39 determine the number of years the taxpayer may claim the state tax credits and the state income
40 exemption based on the projected net state economic benefits attributed to the eligible project;
41 (7) For the purpose of meeting the new job requirement prescribed in subdivisions (1),
42 (2) and (3) of this subsection, it shall be required that at least ten new jobs be created and
43 maintained during the taxpayer's tax period for which the credits are earned, in the case of an
44 eligible project that does not replace a similar facility in Missouri. "New job" means a person
45 who was not previously employed by the taxpayer or related taxpayer within the twelve-month
46 period immediately preceding the time the person was employed by that taxpayer to work at, or
47 in connection with, the eligible project on a full-time basis. "Full-time basis" means the
48 employee works an average of at least thirty-five hours per week during the taxpayer's tax period
49 for which the tax credits are earned. For the purposes of this section, related taxpayer has the
50 same meaning as defined in subdivision (9) of section 135.100;
51 (8) For the purpose of meeting the existing job retention requirement, if the eligible
52 project replaces a similar facility that closed elsewhere in Missouri prior to the end of the
53 taxpayer's tax period in which the tax credits are earned, it shall be required that at least
54 twenty-five existing jobs be retained at, and in connection with the eligible project, on a full-time
55 basis during the taxpayer's tax period for which the credits are earned. "Retained job" means a
56 person who was previously employed by the taxpayer or related taxpayer, at a facility similar to
57 the eligible project that closed elsewhere in Missouri prior to the end of the taxpayer's tax period
58 in which the tax credits are earned, within the tax period immediately preceding the time the
59 person was employed by the taxpayer to work at, or in connection with, the eligible project on
60 a full-time basis. "Full-time basis" means the employee works an average of at least thirty-five
61 hours per week during the taxpayer's tax period for which the tax credits are earned;
62 (9) In the case where an eligible project replaces a similar facility that closed elsewhere
63 in Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned, the
64 owner and operator of the eligible project shall provide the director with a written statement
65 explaining the reason for discontinuing operations at the closed facility. The statement shall
66 include a comparison of the activities performed at the closed facility prior to the date the facility
67 ceased operating, to the activities performed at the eligible project, and a detailed account
68 describing the need and rationale for relocating to the eligible project. If the director finds the

69 relocation to the eligible project significantly impaired the economic stability of the area in
70 which the closed facility was located, and that such move was detrimental to the overall
71 economic development efforts of the state, the director may deny the taxpayer's request to claim
72 tax benefits;
73 (10) Notwithstanding any provision of law to the contrary, for the purpose of this
74 section, the number of new jobs created and maintained, the number of existing jobs retained,
75 and the value of new qualified investment used at the eligible project during any tax year shall
76 be determined by dividing by twelve, in the case of jobs, the sum of the number of individuals
77 employed at the eligible project, or in the case of new qualified investment, the value of new
78 qualified investment used at the eligible project, on the last business day of each full calendar
79 month of the tax year. If the eligible project is in operation for less than the entire tax year, the
80 number of new jobs created and maintained, the number of existing jobs retained, and the value
81 of new qualified investment created at the eligible project during any tax year shall be
82 determined by dividing the sum of the number of individuals employed at the eligible project,
83 or in the case of new qualified investment, the value of new qualified investment used at the
84 eligible project, on the last business day of each full calendar month during the portion of the tax
85 year during which the eligible project was in operation, by the number of full calendar months
86 during such period;
87 (11) For the purpose of this section, "new qualified investment" means new business
88 facility investment as defined and as determined in subdivision (7) of section 135.100 which is
89 used at and in connection with the eligible project. "New qualified investment" shall not include
90 small tools, supplies and inventory. "Small tools" means tools that are portable and can be hand
91 held.
92 2. The determination of the director of economic development pursuant to subsection
93 1 of this section shall not affect requirements for the prospective purchaser to obtain the approval
94 of the granting of real property tax abatement by the municipal or county government where the
95 eligible project is located.
96 3. (1) The director of the department of economic development, with the approval of
97 the director of the department of natural resources, may, in addition to the tax credits allowed
98 in subsection 1 of this section, grant a remediation tax credit to the applicant for up to one
99 hundred percent of the costs of materials, supplies, equipment, labor, professional engineering,
100 consulting and architectural fees, permitting fees and expenses, demolition, asbestos abatement,
101 and direct utility charges for performing the voluntary remediation activities for the preexisting
102 hazardous substance contamination and releases, including, but not limited to, the costs of
103 performing operation and maintenance of the remediation equipment at the property beyond the
104 year in which the systems and equipment are built and installed at the eligible project and the

105 costs of performing the voluntary remediation activities over a period not in excess of four tax
106 years following the taxpayer's tax year in which the system and equipment were first put into use
107 at the eligible project, provided the remediation activities are the subject of a plan submitted to,
108 and approved by, the director of natural resources pursuant to sections 260.565 to 260.575. The
109 tax credit may also include up to one hundred percent of the costs of demolition that are not
110 directly part of the remediation activities, provided that the demolition is on the property where
111 the voluntary remediation activities are occurring, the demolition is necessary to accomplish the
112 planned use of the facility where the remediation activities are occurring, and the demolition is
113 part of a redevelopment plan approved by the municipal or county government and the
114 department of economic development. The demolition may occur on an adjacent property if the
115 project is located in a municipality which has a population less than twenty thousand and the
116 above conditions are otherwise met. The adjacent property shall independently qualify as
117 abandoned or underutilized. The amount of the credit available for demolition not associated
118 with remediation cannot exceed the total amount of credits approved for remediation including
119 demolition required for remediation.

120 (2) The amount of remediation tax credits issued shall be limited to the least amount
121 necessary to cause the project to occur, as determined by the director of the department of
122 economic development.

123 (3) The director may, with the approval of the director of natural resources, extend the
124 tax credits allowed for performing voluntary remediation maintenance activities, in increments
125 of three-year periods, not to exceed five consecutive three-year periods. The tax credits allowed
126 in this subsection shall be used to offset the tax imposed by chapter 143, excluding withholding
127 tax imposed by sections 143.191 to 143.265, or the tax otherwise imposed by chapter 147, or the
128 tax otherwise imposed by chapter 148. The remediation tax credit may be taken in the same tax
129 year in which the tax credits are received or may be taken over a period not to exceed twenty
130 years.

131 (4) The project facility shall be projected to create at least ten new jobs or at least
132 twenty-five retained jobs, or a combination thereof, as determined by the department of
133 economic development, to be eligible for tax credits pursuant to this section.

134 (5) No more than seventy-five percent of earned remediation tax credits may be issued
135 when the remediation costs were paid, and the remaining percentage may be issued when the
136 department of natural resources issues a letter of completion letter or covenant not to sue
137 following completion of the voluntary remediation activities. It shall not include any costs
138 associated with ongoing operational environmental compliance of the facility or remediation
139 costs arising out of spills, leaks, or other releases arising out of the ongoing business operations
140 of the facility. In the event the department of natural resources issues a letter of completion for

141 a portion of a property, an impacted media such as soil or groundwater, or for a site or a portion
142 of a site improvement, a prorated amount of the remaining percentage may be released based on
143 the percentage of the total site receiving a letter of completion.
144 4. In the exercise of the sound discretion of the director of the department of economic
145 development or the director's designee, the tax credits and exemptions described in this section
146 may be terminated, suspended or revoked, if the eligible project fails to continue to meet the
147 conditions set forth in this section. In making such a determination, the director shall consider
148 the severity of the condition violation, actions taken to correct the violation, the frequency of any
149 condition violations and whether the actions exhibit a pattern of conduct by the eligible facility
150 owner and operator. The director shall also consider changes in general economic conditions and
151 the recommendation of the director of the department of natural resources, or his or her designee,
152 concerning the severity, scope, nature, frequency and extent of any violations of the
153 environmental compliance conditions. The taxpayer or person claiming the tax credits or
154 exemptions may appeal the decision regarding termination, suspension or revocation of any tax
155 credit or exemption in accordance with the procedures outlined in subsections 4 **[**to 6**] and 5** of
156 section 135.250. The director of the department of economic development shall notify the
157 directors of the departments of natural resources and revenue of the termination, suspension or
158 revocation of any tax credits as determined in this section or pursuant to the provisions of section
159 447.716.
160 5. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax
161 credits, exemptions or refund otherwise allowed in subdivisions (2), (3) and (4) of subsection
162 1 of this section and the tax credits otherwise allowed in section 135.110, or the tax credits,
163 exemptions and refund otherwise allowed in sections 135.215, 135.220, 135.225 and 135.245,
164 respectively, for the same facility for the same tax period.
165 6. The total amount of the tax credits allowed in subsection 1 of this section **[**may**] shall**
166 not exceed the greater of:
167 (1) That portion of the taxpayer's income attributed to the eligible project; or
168 (2) One hundred percent of the total business' income tax if the eligible facility does not
169 replace a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax
170 period in which the tax credits are earned, and further provided the taxpayer does not operate any
171 other facilities besides the eligible project in Missouri; fifty percent of the total business' income
172 tax if the eligible facility replaces a similar facility that closed elsewhere in Missouri prior to the
173 end of the taxpayer's tax period in which the credits are earned, and further provided the taxpayer
174 does not operate any other facilities besides the eligible project in Missouri; or twenty-five
175 percent of the total business income if the taxpayer operates, in addition to the eligible facility,
176 any other facilities in Missouri. In no case shall a taxpayer operating more than one eligible

177 project in Missouri be allowed to offset more than twenty-five percent of the taxpayer's business
178 income in any tax period. That portion of the taxpayer's income attributed to the eligible project
179 as referenced in subdivision (1) of this subsection, for which the credits allowed in sections
180 135.110 and 135.225 and subsection 3 of this section, may apply, shall be determined in the same
181 manner as prescribed in subdivision (6) of section 135.100. That portion of the taxpayer's
182 franchise tax attributed to the eligible project for which the remediation tax credit may offset,
183 shall be determined in the same manner as prescribed in paragraph (a) of subdivision (6) of
184 section 135.100.

185 7. Taxpayers claiming the state tax benefits allowed in subdivisions (2) and (3) of
186 subsection 1 of this section shall be required to file all applicable tax credit applications, forms
187 and schedules prescribed by the director during the taxpayer's tax period immediately after the
188 tax period in which the eligible project was first put into use. Otherwise, the taxpayer's right to
189 claim such state tax benefits shall be forfeited. Unused business facility and enterprise zone tax
190 credits shall not be carried forward but shall be initially claimed for the tax period during which
191 the eligible project was first capable of being used, and during any applicable subsequent tax
192 periods.

193 8. Taxpayers claiming the remediation tax credit allowed in subsection 3 of this section
194 shall be required to file all applicable tax credit applications, forms and schedules prescribed by
195 the director during the taxpayer's tax period immediately after the tax period in which the eligible
196 project was first put into use, or during the taxpayer's tax period immediately after the tax period
197 in which the voluntary remediation activities were performed.

198 9. The recipient of remediation tax credits, for the purpose of this subsection referred to
199 as assignor, may assign, sell or transfer, in whole or in part, the remediation tax credit allowed
200 in subsection 3 of this section to any other person, for the purpose of this subsection referred to
201 as assignee. To perfect the transfer, the assignor shall provide written notice to the director of
202 the assignor's intent to transfer the tax credits to the assignee, the date the transfer is effective,
203 the assignee's name, address and the assignee's tax period and the amount of tax credits to be
204 transferred. The number of tax periods during which the assignee may subsequently claim the
205 tax credits shall not exceed twenty tax periods, less the number of tax periods the assignor
206 previously claimed the credits before the transfer occurred.

207 10. In the case where an operator and assignor of an eligible project has been certified
208 to claim state tax benefits allowed in subdivisions (2) and (3) of subsection 1 of this section, and
209 sells or otherwise transfers title of the eligible project to another taxpayer or assignee who
210 continues the same or substantially similar operations at the eligible project, the director shall
211 allow the assignee to claim the credits for a period of time to be determined by the director;
212 except that, the total number of tax periods the tax credits may be earned by the assignor and the

assignee shall not exceed ten. To perfect the transfer, the assignor shall provide written notice to the director of the assignor's intent to transfer the tax credits to the assignee, the date the transfer is effective, the assignee's name, address, and the assignee's tax period, and the amount of tax credits to be transferred.

11. For the purpose of the state tax benefits described in this section, in the case of a corporation described in section 143.471 or partnership, in computing Missouri's tax liability, such state benefits shall be allowed to the following:

(1) The shareholders of the corporation described in section 143.471;

(2) The partners of the partnership. The credit provided in this subsection shall be apportioned to the entities described in subdivisions (1) and (2) of this subsection in proportion to their share of ownership on the last day of the taxpayer's tax period.

12. Notwithstanding any other provision of law to the contrary, no tax credits shall be issued under sections 447.700 to 447.718 after December 31, 2012, and any tax credit issued before January 1, 2013, shall be redeemed before January 1, 2015.

620.495. 1. This section shall be known as the "Small Business Incubators Act".

2. As used in this section, unless the context clearly indicates otherwise, the following words and phrases shall mean:

(1) "Department", the department of economic development;

(2) "Incubator", a program in which small units of space may be leased by a tenant and in which management maintains or provides access to business development services for use by tenants or a program without infrastructure in which participants avail themselves of business development services to assist in the growth of their start-up small businesses;

(3) "Local sponsor" or "sponsor", an organization which enters into a written agreement with the department to establish, operate and administer a small business incubator program or to provide funding to an organization which operates such a program;

(4) "Participant", a sole proprietorship, business partnership or corporation operating a business for profit through which the owner avails himself or herself of business development services in an incubator program;

(5) "Tenant", a sole proprietorship, business partnership or corporation operating a business for profit and leasing or otherwise occupying space in an incubator.

3. There is hereby established under the direction of the department a loan, loan guarantee and grant program for the establishment, operation and administration of small business incubators, to be known as the "Small Business Incubator Program". A local sponsor may submit an application to the department to obtain a loan, loan guarantee or grant to establish an incubator. Each application shall:

22 (1) Demonstrate that a program exists that can be transformed into an incubator at a
23 specified cost;
24 (2) Demonstrate the ability to directly provide or arrange for the provision of business
25 development services for tenants and participants of the incubator. These services shall include,
26 but need not be limited to, financial consulting assistance, management and marketing assistance,
27 business education, and physical services;
28 (3) Demonstrate a potential for sustained use of the incubator program by eligible tenants
29 and participants, through a market study or other means;
30 (4) Demonstrate the ability to manage and operate the incubator program;
31 (5) Include such other information as the department may require through its guidelines.
32 4. The department shall review and accept applications based on the following criteria:
33 (1) Ability of the local sponsor to carry out the provisions of this section;
34 (2) Economic impact of the incubator on the community;
35 (3) Conformance with areawide and local economic development plans, if such exist;
36 (4) Location of the incubator, in order to encourage geographic distribution of incubators
37 across the state.
38 5. Loans, loan guarantees and grants shall be administered in the following manner:
39 (1) Loans awarded or guaranteed and grants awarded shall be used only for the
40 acquisition and leasing of land and existing buildings, the rehabilitation of buildings or other
41 facilities, construction of new facilities, the purchase of equipment and furnishings which are
42 necessary for the creation and operation of the incubator, and business development services
43 including, but not limited to, business management advising and business education;
44 (2) Loans, loan guarantees and grants may not exceed fifty percent of total eligible
45 project costs;
46 (3) Payment of interest and principal on loans may be deferred at the discretion of the
47 department.
48 6. A local sponsor, or the organization receiving assistance through the local sponsor,
49 shall have the following responsibilities and duties in establishing and operating an incubator
50 with assistance from the small business incubator program:
51 (1) Secure title on a facility for the program or a lease of a facility for the program;
52 (2) Manage the physical development of the incubator program, including the provision
53 of common conference or meeting space;
54 (3) Furnish and equip the program to provide business services to the tenants and
55 participants;
56 (4) Market the program and secure eligible tenants and participants;

57 (5) Provide financial consulting, marketing and management assistance services or
58 arrange for the provision of these services for tenants and participants of the incubator, including
59 assistance in accessing private financial markets;
60 (6) Set rental and service fees;
61 (7) Encourage the sharing of ideas between tenants and participants and otherwise aid
62 the tenants and participants in an innovative manner while they are within the incubator;
63 (8) Establish policies and criteria for the acceptance of tenants and participants into the
64 incubator and for the termination of occupancy of tenants so as to maximize the opportunity to
65 succeed for the greatest number of tenants, consistent with those specified in this section.
66 7. The department:
67 (1) May adopt such rules, statements of policy, procedures, forms and guidelines as may
68 be necessary for the implementation of this section;
69 (2) May make loans, loan guarantees and grants to local sponsors for incubators;
70 (3) Shall ensure that local sponsors receiving loans, loan guarantees or grants meet the
71 conditions of this section;
72 (4) Shall receive and evaluate annual reports from local sponsors. Such annual reports
73 shall include, but need not be limited to, a financial statement for the incubator, evidence that
74 all tenants and participants in the program are eligible under the terms of this section, and a list
75 of companies in the incubator.
76 8. The department of economic development is also hereby authorized to review any
77 previous loans made under this program and, where appropriate in the department's judgment,
78 convert such loans to grant status.
79 9. On or before January first of each year, the department shall provide a report to the
80 governor, the chief clerk of the house of representatives and the secretary of the senate which
81 shall include, but need not be limited to:
82 (1) The number of applications for incubators submitted to the department;
83 (2) The number of applications for incubators approved by the department;
84 (3) The number of incubators created through the small business incubator program;
85 (4) The number of tenants and participants engaged in each incubator;
86 (5) The number of jobs provided by each incubator and tenants and participant of each
87 incubator;
88 (6) The occupancy rate of each incubator;
89 (7) The number of firms still operating in the state after leaving incubators and the
90 number of jobs they have provided.
91 10. There is hereby established in the state treasury a special fund to be known as the
92 "Missouri Small Business Incubators Fund", which shall consist of all moneys which may be

93 appropriated to it by the general assembly, and also any gifts, contributions, grants or bequests
94 received from federal, private or other sources. Moneys for loans, loan guarantees and grants
95 under the small business incubator program may be obtained from appropriations made by the
96 general assembly from the Missouri small business incubators fund. Any moneys remaining in
97 the Missouri small business incubators fund at the end of any fiscal year shall not lapse to the
98 general revenue fund, as provided in section 33.080, but shall remain in the Missouri small
99 business incubators fund.

100 11. For any taxable year beginning after December 31, 1989, a taxpayer, including any
101 charitable organization which is exempt from federal income tax and whose Missouri unrelated
102 business taxable income, if any, would be subject to the state income tax imposed under chapter
103 143, shall be entitled to a tax credit against any tax otherwise due under the provisions of chapter
104 143, or chapter 147, or chapter 148, excluding withholding tax imposed by sections 143.191 to
105 143.265, in the amount of fifty percent of any amount contributed by the taxpayer to the Missouri
106 small business incubators fund during the taxpayer's tax year or any contribution by the taxpayer
107 to a local sponsor after the local sponsor's application has been accepted and approved by the
108 department. The tax credit allowed by this subsection shall be claimed by the taxpayer at the
109 time he files his return and shall be applied against the income tax liability imposed by chapter
110 143, or chapter 147, or chapter 148, after all other credits provided by law have been applied.
111 That portion of earned tax credits which exceeds the taxpayer's tax liability may be carried
112 forward for up to five years. The aggregate of all tax credits authorized under this section shall
113 not exceed five hundred thousand dollars in any taxable year.

114 12. Notwithstanding any provision of Missouri law to the contrary, any taxpayer may
115 sell, assign, exchange, convey or otherwise transfer tax credits allowed in subsection 11 of this
116 section under the terms and conditions prescribed in subdivisions (1) and (2) of this subsection.
117 Such taxpayer, hereinafter the assignor for the purpose of this subsection, may sell, assign,
118 exchange or otherwise transfer earned tax credits:

119 (1) For no less than seventy-five percent of the par value of such credits; and

120 (2) In an amount not to exceed one hundred percent of annual earned credits. The
121 taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection, may
122 use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise
123 imposed by chapter 143, or chapter 147, or chapter 148 excluding withholding tax imposed by
124 sections 143.191 to 143.265. Unused credits in the hands of the assignee may be carried forward
125 for up to five years. The assignor shall enter into a written agreement with the assignee
126 establishing the terms and conditions of the agreement and shall perfect such transfer by
127 notifying the department of economic development in writing within thirty calendar days
128 following the effective day of the transfer and shall provide any information as may be required

129 by the department of economic development to administer and carry out the provisions of this
130 section. The director of the department of economic development shall prescribe the method for
131 submitting applications for claiming the tax credit allowed under subsection 11 of this section
132 and shall, if the application is approved, certify to the director of revenue that the taxpayer
133 claiming the credit has satisfied all the requirements specified in this section and is eligible to
134 claim the credit.

135 **13. Notwithstanding any other provision of law to the contrary, no tax credits shall**
136 **be issued under this section after December 31, 2012, and any tax credit issued before**
137 **January 1, 2013, shall be redeemed before January 1, 2015.**

620.650. 1. The sole purpose of each qualified fund is to make investments. One
2 hundred percent of investments made from qualified contributions shall be qualified investments.
3 2. Any person who makes a qualified contribution to a qualified fund shall receive a tax
4 credit against the tax otherwise due pursuant to chapter 143, chapter 147, or chapter 148, other
5 than taxes withheld pursuant to sections 143.191 to 143.265, in an amount equal to one hundred
6 percent of such person's qualified contribution.
7 3. Such person shall submit to the department an application for the tax credit on a form
8 provided by the department. The department shall award tax credits in the order the applications
9 are received and based upon the strategy approved by the corporation. Tax credits issued
10 pursuant to this section may be claimed for the tax year in which the qualified contribution is
11 made or in any of the following ten years, and may be assigned, transferred or sold.
12 4. There is hereby imposed on each qualified fund a tax equal to fifteen percent of the
13 qualified fund's uninvested capital at the close of such qualified fund's tax year. For purposes
14 of tax computation, any distribution made by a qualified fund during a tax year is deemed made
15 at the end of such tax year. Each tax year, every qualified fund shall remit the tax imposed by
16 this section to the director of the department of revenue for deposit in the state treasury to the
17 credit of the general revenue fund.

18 **5. Notwithstanding any other provision of law to the contrary, no tax credits shall**
19 **be issued under sections 620.635 to 620.653 after December 31, 2012, and any tax credit**
20 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**

620.1881. 1. The department of economic development shall respond within thirty days
2 to a company who provides a notice of intent with either an approval or a rejection of the notice
3 of intent. The department shall give preference to qualified companies and projects targeted at
4 an area of the state which has recently been classified as a disaster area by the federal
5 government. Failure to respond on behalf of the department of economic development shall
6 result in the notice of intent being deemed an approval for the purposes of this section. A
7 qualified company who is provided an approval for a project shall be allowed a benefit as

8 provided in this program in the amount and duration provided in this section. A qualified
9 company may receive additional periods for subsequent new jobs at the same facility after the
10 full initial period if the minimum thresholds are met as set forth in sections 620.1875 to
11 620.1890. There is no limit on the number of periods a qualified company may participate in the
12 program, as long as the minimum thresholds are achieved and the qualified company provides
13 the department with the required reporting and is in proper compliance for this program or other
14 state programs. A qualified company may elect to file a notice of intent to start a new project
15 period concurrent with an existing project period if the minimum thresholds are achieved and
16 the qualified company provides the department with the required reporting and is in proper
17 compliance for this program and other state programs; however, the qualified company may not
18 receive any further benefit under the original approval for jobs created after the date of the new
19 notice of intent, and any jobs created before the new notice of intent may not be included as new
20 jobs for the purpose of benefit calculation in relation to the new approval. When a qualified
21 company has filed and received approval of a notice of intent and subsequently files another
22 notice of intent, the department shall apply the definition of project facility under subdivision
23 (19) of section 620.1878 to the new notice of intent as well as all previously approved notices
24 of intent and shall determine the application of the definitions of new job, new payroll, project
25 facility base employment, and project facility base payroll accordingly.
26 2. Notwithstanding any provision of law to the contrary, any qualified company that is
27 awarded benefits under this program may not simultaneously receive tax credits or exemptions
28 under sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections
29 135.900 to 135.906 at the same project facility. The benefits available to the company under any
30 other state programs for which the company is eligible and which utilize withholding tax from
31 the new jobs of the company must first be credited to the other state program before the
32 withholding retention level applicable under the Missouri quality jobs act will begin to accrue.
33 These other state programs include, but are not limited to, the new jobs training program under
34 sections 178.892 to 178.896, the job retention program under sections 178.760 to 178.764, the
35 real property tax increment allocation redevelopment act, sections 99.800 to 99.865, or the
36 Missouri downtown and rural economic stimulus act under sections 99.915 to 99.980. If any
37 qualified company also participates in the new jobs training program in sections 178.892 to
38 178.896, the company shall retain no withholding tax, but the department shall issue a refundable
39 tax credit for the full amount of benefit allowed under this **[**subdivision**]** **subsection**. The
40 calendar year annual maximum amount of tax credits which may be issued to a qualifying
41 company that also participates in the new job training program shall be increased by an amount
42 equivalent to the withholding tax retained by that company under the new jobs training program.
43 However, if the combined benefits of the quality jobs program and the new jobs training program

44 exceed the projected state benefit of the project, as determined by the department of economic
45 development through a cost-benefit analysis, the increase in the maximum tax credits shall be
46 limited to the amount that would not cause the combined benefits to exceed the projected state
47 benefit. Any taxpayer who is awarded benefits under this program who knowingly hires
48 individuals who are not allowed to work legally in the United States shall immediately forfeit
49 such benefits and shall repay the state an amount equal to any state tax credits already redeemed
50 and any withholding taxes already retained.

51 3. The types of projects and the amount of benefits to be provided are:

52 (1) Small and expanding business projects: in exchange for the consideration provided
53 by the new tax revenues and other economic stimuli that will be generated by the new jobs
54 created by the program, a qualified company may retain an amount equal to the withholding tax
55 as calculated under subdivision (33) of section 620.1878 from the new jobs that would otherwise
56 be withheld and remitted by the qualified company under the provisions of sections 143.191 to
57 143.265 for a period of three years from the date the required number of new jobs were created
58 if the average wage of the new payroll equals or exceeds the county average wage or for a period
59 of five years from the date the required number of new jobs were created if the average wage of
60 the new payroll equals or exceeds one hundred twenty percent of the county average wage;

61 (2) Technology business projects: in exchange for the consideration provided by the new
62 tax revenues and other economic stimuli that will be generated by the new jobs created by the
63 program, a qualified company may retain an amount equal to a maximum of five percent of new
64 payroll for a period of five years from the date the required number of jobs were created from
65 the withholding tax of the new jobs that would otherwise be withheld and remitted by the
66 qualified company under the provisions of sections 143.191 to 143.265 if the average wage of
67 the new payroll equals or exceeds the county average wage. An additional one-half percent of
68 new payroll may be added to the five percent maximum if the average wage of the new payroll
69 in any year exceeds one hundred twenty percent of the county average wage in the county in
70 which the project facility is located, plus an additional one-half percent of new payroll may be
71 added if the average wage of the new payroll in any year exceeds one hundred forty percent of
72 the average wage in the county in which the project facility is located. The department shall
73 issue a refundable tax credit for any difference between the amount of benefit allowed under this
74 subdivision and the amount of withholding tax retained by the company, in the event the
75 withholding tax is not sufficient to provide the entire amount of benefit due to the qualified
76 company under this subdivision;

77 (3) High impact projects: in exchange for the consideration provided by the new tax
78 revenues and other economic stimuli that will be generated by the new jobs created by the
79 program, a qualified company may retain an amount from the withholding tax of the new jobs

80 that would otherwise be withheld and remitted by the qualified company under the provisions
81 of sections 143.191 to 143.265, equal to three percent of new payroll for a period of five years
82 from the date the required number of jobs were created if the average wage of the new payroll
83 equals or exceeds the county average wage of the county in which the project facility is located.
84 For high-impact projects in a facility located within two adjacent counties, the new payroll shall
85 equal or exceed the higher county average wage of the adjacent counties. The percentage of
86 payroll allowed under this subdivision shall be three and one-half percent of new payroll if the
87 average wage of the new payroll in any year exceeds one hundred twenty percent of the county
88 average wage in the county in which the project facility is located. The percentage of payroll
89 allowed under this subdivision shall be four percent of new payroll if the average wage of the
90 new payroll in any year exceeds one hundred forty percent of the county average wage in the
91 county in which the project facility is located. An additional one percent of new payroll may be
92 added to these percentages if local incentives equal between ten percent and twenty-four percent
93 of the new direct local revenue; an additional two percent of new payroll is added to these
94 percentages if the local incentives equal between twenty-five percent and forty-nine percent of
95 the new direct local revenue; or an additional three percent of payroll is added to these
96 percentages if the local incentives equal fifty percent or more of the new direct local revenue.
97 The department shall issue a refundable tax credit for any difference between the amount of
98 benefit allowed under this subdivision and the amount of withholding tax retained by the
99 company, in the event the withholding tax is not sufficient to provide the entire amount of benefit
100 due to the qualified company under this subdivision;
101 (4) Job retention projects: a qualified company may receive a tax credit for the retention
102 of jobs in this state, provided the qualified company and the project meets all of the following
103 conditions:
104 (a) For each of the twenty-four months preceding the year in which application for the
105 program is made the qualified company must have maintained at least one thousand full-time
106 employees at the employer's site in the state at which the jobs are based, and the average wage
107 of such employees must meet or exceed the county average wage;
108 (b) The qualified company retained at the project facility the level of full-time employees
109 that existed in the taxable year immediately preceding the year in which application for the
110 program is made;
111 (c) The qualified company is considered to have a significant statewide effect on the
112 economy, and has been determined to represent a substantial risk of relocation from the state by
113 the quality jobs advisory task force established in section 620.1887; provided, however, until
114 such time as the initial at-large members of the quality jobs advisory task force are appointed,
115 this determination shall be made by the director of the department of economic development;

116 (d) The qualified company in the project facility will cause to be invested a minimum
117 of seventy million dollars in new investment prior to the end of two years or will cause to be
118 invested a minimum of thirty million dollars in new investment prior to the end of two years and
119 maintain an annual payroll of at least seventy million dollars during each of the years for which
120 a credit is claimed; and
121 (e) The local taxing entities shall provide local incentives of at least fifty percent of the
122 new direct local revenues created by the project over a ten-year period. The quality jobs advisory
123 task force may recommend to the department of economic development that appropriate
124 penalties be applied to the company for violating the agreement. The amount of the job retention
125 credit granted may be equal to up to fifty percent of the amount of withholding tax generated by
126 the full-time jobs at the project facility for a period of five years. The calendar year annual
127 maximum amount of tax credit that may be issued to any qualified company for a job retention
128 project or combination of job retention projects shall be seven hundred fifty thousand dollars per
129 year, but the maximum amount may be increased up to one million dollars if such action is
130 proposed by the department and approved by the quality jobs advisory task force established in
131 section 620.1887; provided, however, until such time as the initial at-large members of the
132 quality jobs advisory task force are appointed, this determination shall be made by the director
133 of the department of economic development. In considering such a request, the task force shall
134 rely on economic modeling and other information supplied by the department when requesting
135 the increased limit on behalf of the job retention project. In no event shall the total amount of
136 all tax credits issued for the entire job retention program under this subdivision exceed three
137 million dollars annually. Notwithstanding the above, no tax credits shall be issued for job
138 retention projects approved by the department after August 30, 2013;
139 (5) Small business job retention and flood survivor relief: a qualified company may
140 receive a tax credit under sections 620.1875 to 620.1890 for the retention of jobs and flood
141 survivor relief in this state for each job retained over a three-year period, provided that:
142 (a) The qualified company did not receive any state or federal benefits, incentives, or tax
143 relief or abatement in locating its facility in a flood plain;
144 (b) The qualified company and related companies have fewer than one hundred
145 employees at the time application for the program is made;
146 (c) The average wage of the qualified company's and related companies' employees must
147 meet or exceed the county average wage;
148 (d) All of the qualified company's and related companies' facilities are located in this
149 state;

150 (e) The facilities at the primary business site in this state have been directly damaged by
151 floodwater rising above the level of a five hundred year flood at least two years, but fewer than
152 eight years, prior to the time application is made;
153 (f) The qualified company made significant efforts to protect the facilities prior to any
154 impending danger from rising floodwaters;
155 (g) For each year it receives tax credits under sections 620.1875 to 620.1890, the
156 qualified company and related companies retained, at the company's facilities in this state, at
157 least the level of full-time, year-round employees that existed in the taxable year immediately
158 preceding the year in which application for the program is made; and
159 (h) In the years it receives tax credits under sections 620.1875 to 620.1890, the company
160 cumulatively invests at least two million dollars in capital improvements in facilities and
161 equipment located at such facilities that are not located within a five hundred year flood plain
162 as designated by the Federal Emergency Management Agency, and amended from time to time.
163 The amount of the small business job retention and flood survivor relief credit granted may be
164 equal to up to one hundred percent of the amount of withholding tax generated by the full-time
165 jobs at the project facility for a period of three years. The calendar year annual maximum
166 amount of tax credit that may be issued to any qualified company for a small business job
167 retention and survivor relief project shall be two hundred fifty thousand dollars per year, but the
168 maximum amount may be increased up to five hundred thousand dollars if such action is
169 proposed by the department and approved by the quality jobs advisory task force established in
170 section 620.1887. In considering such a request, the task force shall rely on economic modeling
171 and other information supplied by the department when requesting an increase in the limit on
172 behalf of the small business job retention and flood survivor relief project. In no event shall the
173 total amount of all tax credits issued for the entire small business job retention and flood survivor
174 relief program under this subdivision exceed five hundred thousand dollars annually.
175 Notwithstanding the provisions of this subdivision to the contrary, no tax credits shall be issued
176 for small business job retention and flood survivor relief projects approved by the department
177 after August 30, 2010.
178 4. The qualified company shall provide an annual report of the number of jobs and such
179 other information as may be required by the department to document the basis for the benefits
180 of this program. The department may withhold the approval of any benefits until it is satisfied
181 that proper documentation has been provided, and shall reduce the benefits to reflect any
182 reduction in full-time employees or new payroll. Upon approval by the department, the qualified
183 company may begin the retention of the withholding taxes when it reaches the minimum number
184 of new jobs and the average wage exceeds the county average wage. Tax credits, if any, may be
185 issued upon satisfaction by the department that the qualified company has exceeded the county

186 average wage and the minimum number of new jobs. In such annual report, if the average wage
187 is below the county average wage, the qualified company has not maintained the employee
188 insurance as required, or if the number of new jobs is below the minimum, the qualified
189 company shall not receive tax credits or retain the withholding tax for the balance of the benefit
190 period. In the case of a qualified company that initially filed a notice of intent and received an
191 approval from the department for high-impact benefits and the minimum number of new jobs
192 in an annual report is below the minimum for high-impact projects, the company shall not
193 receive tax credits for the balance of the benefit period but may continue to retain the
194 withholding taxes if it otherwise meets the requirements of a small and expanding business under
195 this program.

196 5. The maximum calendar year annual tax credits issued for the entire program shall not
197 exceed eighty million dollars. Notwithstanding any provision of law to the contrary, the
198 maximum annual tax credits authorized under section 135.535 are hereby reduced from ten
199 million dollars to eight million dollars, with the balance of two million dollars transferred to this
200 program. There shall be no limit on the amount of withholding taxes that may be retained by
201 approved companies under this program.

202 6. The department shall allocate the annual tax credits based on the date of the approval,
203 reserving such tax credits based on the department's best estimate of new jobs and new payroll
204 of the project, and the other factors in the determination of benefits of this program. However,
205 the annual issuance of tax credits is subject to the annual verification of the actual new payroll.
206 The allocation of tax credits for the period assigned to a project shall expire if, within two years
207 from the date of commencement of operations, or approval if applicable, the minimum
208 thresholds have not been achieved. The qualified company may retain authorized amounts from
209 the withholding tax under this section once the minimum new jobs thresholds are met for the
210 duration of the project period. No benefits shall be provided under this program until the
211 qualified company meets the minimum new jobs thresholds. In the event the qualified company
212 does not meet the minimum new job threshold, the qualified company may submit a new notice
213 of intent or the department may provide a new approval for a new project of the qualified
214 company at the project facility or other facilities.

215 7. For a qualified company with flow-through tax treatment to its members, partners, or
216 shareholders, the tax credit shall be allowed to members, partners, or shareholders in proportion
217 to their share of ownership on the last day of the qualified company's tax period.

218 8. Tax credits may be claimed against taxes otherwise imposed by chapters 143 and 148,
219 and may not be carried forward but shall be claimed within one year of the close of the taxable
220 year for which they were issued, except as provided under subdivision (4) of subsection 3 of this
221 section.

222 9. Tax credits authorized by this section may be transferred, sold, or assigned by filing
223 a notarized endorsement thereof with the department that names the transferee, the amount of
224 tax credit transferred, and the value received for the credit, as well as any other information
225 reasonably requested by the department.
226 10. Prior to the issuance of tax credits, the department shall verify through the
227 department of revenue, or any other state department, that the tax credit applicant does not owe
228 any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent
229 fees or assessments levied by any state department and through the department of insurance,
230 financial institutions and professional registration that the applicant does not owe any delinquent
231 insurance taxes. Such delinquency shall not affect the authorization of the application for such
232 tax credits, except that at issuance credits shall be first applied to the delinquency and any
233 amount issued shall be reduced by the applicant's tax delinquency. If the department of revenue
234 or the department of insurance, financial institutions and professional registration, or any other
235 state department, concludes that a taxpayer is delinquent after June fifteenth but before July first
236 of any year and the application of tax credits to such delinquency causes a tax deficiency on
237 behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the
238 deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all
239 available credits toward a tax delinquency, the administering agency shall notify the appropriate
240 department and that department shall update the amount of outstanding delinquent tax owed by
241 the applicant. If any credits remain after satisfying all insurance, income, sales, and use tax
242 delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions
243 of other provisions of law.
244 11. Except as provided under subdivision (4) of subsection 3 of this section, the director
245 of revenue shall issue a refund to the qualified company to the extent that the amount of credits
246 allowed in this section exceeds the amount of the qualified company's income tax.
247 12. An employee of a qualified company will receive full credit for the amount of tax
248 withheld as provided in section 143.211.
249 13. If any provision of sections 620.1875 to 620.1890 or application thereof to any
250 person or circumstance is held invalid, the invalidity shall not affect other provisions or
251 application of these sections which can be given effect without the invalid provisions or
252 application, and to this end, the provisions of sections 620.1875 to 620.1890 are hereby declared
253 severable.
254 **14. Notwithstanding any other provision of law to the contrary, no tax credits shall**
255 **be issued under sections 620.1875 to 620.1890 after December 31, 2012, and any tax credit**
256 **issued before January 1, 2013, shall be redeemed before January 1, 2015.**

644.032. 1. The governing body of any municipality or county may impose, by ordinance or order, a sales tax in an amount not to exceed one-half of one percent on all retail sales made in such municipality or county which are subject to taxation under the provisions of sections 144.010 to 144.525. The tax authorized by this section and section 644.033 shall be in addition to any and all other sales taxes allowed by law, except that no ordinance or order imposing a sales tax under the provisions of this section and section 644.033 shall be effective unless the governing body of the municipality or county submits to the voters of the municipality or county, at a municipal, county or state general, primary or special election, a proposal to authorize the governing body of the municipality or county to impose a tax, **[**provided, that the tax authorized by this section shall not be imposed on the sales of food, as defined in section 144.014, when imposed by any county with a charter form of government and with more than one million inhabitants**]**.

2. The ballot of submission shall contain, but need not be limited to, the following language:

Shall the municipality (county) of ..... impose a sales tax of ..... (insert amount) for the purpose of providing funding for ..... (insert either storm water control, or local parks, or storm water control and local parks) for the municipality (county)?

☐ YES ☐ NO

If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of the proposal, then the ordinance or order and any amendments thereto shall be in effect on the first day of the second quarter after the director of revenue receives notice of adoption of the tax. If a majority of the votes cast by the qualified voters voting are opposed to the proposal, then the governing body of the municipality or county shall not impose the sales tax authorized in this section and section 644.033 until the governing body of the municipality or county resubmits another proposal to authorize the governing body of the municipality or county to impose the sales tax authorized by this section and section 644.033 and such proposal is approved by a majority of the qualified voters voting thereon; however, in no event shall a proposal pursuant to this section and section 644.033 be submitted to the voters sooner than twelve months from the date of the last proposal pursuant to this section and section 644.033.

3. All revenue received by a municipality or county from the tax authorized under the provisions of this section and section 644.033 shall be deposited in a special trust fund and shall be used to provide funding for storm water control or for local parks, or both, within such municipality or county, provided that such revenue may be used for local parks outside such municipality or county if the municipality or county is engaged in a cooperative agreement pursuant to section 70.220.

4. Any funds in such special trust fund which are not needed for current expenditures may be invested by the governing body in accordance with applicable laws relating to the investment of other municipal or county funds.

660.055. 1. Any registered caregiver who meets the requirements of this section shall be eligible for a shared care tax credit in an amount not to exceed five hundred dollars to defray the cost of caring for an elderly person. In order to be eligible for a shared care tax credit, a registered caregiver shall:

(1) Care for an elderly person, age sixty or older, who:

(a) Is physically or mentally incapable of living alone, as determined and certified by his or her physician licensed pursuant to chapter 334, or by the division of aging staff when an assessment has been completed for the purpose of qualification for other services; and

(b) Requires assistance with activities of daily living to the extent that without care and oversight at home would require placement in a facility licensed pursuant to chapter 198; and

(c) Under no circumstances, is able or allowed to operate a motor vehicle; and

(d) Does not receive funding or services through Medicaid or social services block grant funding;

(2) Live in the same residence to give protective oversight for the elderly person meeting the requirements described in subdivision (1) of this subsection for an aggregate of more than six months per tax year;

(3) Not receive monetary compensation for providing care for the elderly person meeting the requirements described in subdivision (1) of this subsection; and

(4) File the original completed and signed physician certification for shared care tax credit form or the original completed and signed division of aging certification for shared care tax credit form provided for in subsection 2 of section 660.054 along with such caregiver's Missouri individual income tax return to the department of revenue.

2. The tax credit allowed by this section shall apply to any year beginning after December 31, 1999.

3. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in sections 660.050 to 660.057 shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. All rulemaking authority delegated prior to August 28, 1999, is of no force and effect and repealed. Nothing in this section shall be interpreted to repeal or affect the validity of any rule filed or adopted prior to August 28, 1999, if it fully complied with all applicable provisions of law. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date or to disapprove

33 and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority
34 and any rule proposed or adopted after August 28, 1999, shall be invalid and void.
35 4. Any person who knowingly falsifies any document required for the shared care tax
36 credit shall be subject to the same penalties for falsifying other tax documents as provided in
37 chapter 143.
38 **5. Notwithstanding any other provision of law to the contrary, no tax credits shall**
39 **be issued under this section after December 31, 2012, and any tax credit issued before**
40 **January 1, 2013, shall be redeemed before January 1, 2015.**

[66.601. The duties of the director of revenue with respect to the
2 allocation, division and distribution of sales and use tax proceeds determined to
3 be due any county of the first classification having a charter form of government
4 and having a population of nine hundred thousand or more inhabitants and all
5 municipalities within such county, resulting from taxes levied or imposed under
6 the authority of sections 66.600 to 66.630, section 144.748, and sections 94.850
7 to 94.857, may be delegated to the county levying the county sales tax under
8 sections 66.600 to 66.630, at the discretion of the director of revenue and with the
9 consent of the county. Notwithstanding the provisions of section 32.057 to the
10 contrary, if such duties are so assigned, the director of revenue shall furnish the
11 county with sufficient information to perform such duties in such form as may be
12 agreed upon by the director and the county at no cost to the county. The county
13 shall be bound by the provisions of section 32.057, and shall use any information
14 provided by the director of revenue under the provisions of this section solely for
15 the purpose of allocating, dividing and distributing such sales and use tax
16 revenues. The county shall exercise all of the director's powers and duties with
17 respect to such allocation, division and distribution, and shall receive no fee for
18 carrying out such powers and duties.**]**
19

[67.1713. Beginning January 1, 2002, there is hereby specifically
2 exempted from the tax imposed pursuant to section 67.1712 all sales of food as
3 defined by section 144.014.**]**
4

[67.1971. All entities remitting the sales tax authorized pursuant to
2 section 67.1959 shall have their liability reduced by an amount equal to
3 twenty-five percent of any taxes collected and remitted pursuant to sections
4 94.802 to 94.805.**]**
5

[143.106. 1. Notwithstanding the provisions of section 143.171, to the
2 contrary, a taxpayer shall be allowed a deduction for his federal income tax
3 liability under chapter 1 of the Internal Revenue Code for the same taxable year
4 for which the Missouri return is being filed after reduction for all credits thereon,
5 except the credit for payments of federal estimated tax, the credit for the
6 overpayment of any federal tax, and the credits allowed by the Internal Revenue

Code by section 31 (tax withheld on wages), section 27 (tax of foreign country and United States possessions), and section 34 (tax on certain uses of gasoline, special fuels, and lubricating oils).

2. If a federal income tax liability for a tax year prior to the applicability of sections 143.011 to 143.996 for which he was not previously entitled to a Missouri deduction is later paid or accrued, he may deduct the federal tax in the later year to the extent it would have been deductible if paid or accrued in the prior year.**]**

[143.107. 1. Sections 143.105 and 143.106 shall become effective only if the question prescribed in subsection 2 of this section is submitted to a statewide vote and a majority of the qualified voters voting on the issue approve such question, and not otherwise.

2. If the supreme court of Missouri does not affirm in whole or in part the decision in the case of COMMITTEE FOR EDUCATION EQUALITY, et al., v. STATE OF MISSOURI, et al., No. CV 190-1371CC, and LEE'S SUMMIT SCHOOL DISTRICT R-VII, et al., v. STATE OF MISSOURI, et al., No. CV 190-510CC, a statewide election shall be held on the first regularly scheduled statewide election date after such a ruling at which an election can be held pursuant to chapter 115. At such election the qualified voters of this state shall vote on the question of whether the taxes prescribed in sections 143.105 and 143.106 shall be applied to all taxable years beginning on or after the date of such election and not otherwise. If the voters approve such question, sections 160.500 to 160.538, sections 160.545 and 160.550, sections 161.099 and 161.610, sections 162.203 and 162.1010, section 163.023, sections 166.275 and 166.300, section 170.254, section 173.750, and sections 178.585 and 178.698 shall expire thirty days after certification of the results of the election.**]**

[144.069. All sales of motor vehicles, trailers, boats and outboard motors shall be deemed to be consummated at the address of the owner thereof, and all leases of over sixty-day duration of motor vehicles, trailers, boats and outboard motors subject to sales taxes under this chapter shall be deemed to be consummated unless the vehicle, trailer, boat or motor has been registered and sales taxes have been paid prior to the consummation of the lease agreement at the address of the lessee thereof on the date the lease is consummated, and all applicable sales taxes levied by any political subdivision shall be collected on such sales by the state department of revenue on that basis.**]**

[144.517. In addition to the exemptions granted pursuant to section 144.030, there shall also be exempted from state sales and use taxes all sales of textbooks, as defined by section 170.051, when such textbook is purchased by a student who possesses proof of current enrollment at any Missouri public or private university, college or other postsecondary institution of higher learning

offering a course of study leading to a degree in the liberal arts, humanities or sciences or in a professional, vocational or technical field, provided that the books which are exempt from state sales tax are those required or recommended for a class. Upon request the institution or department must provide at least one list of textbooks to the bookstore each semester. Alternately, the student may provide to the bookstore a list from the instructor, department or institution of his or her required or recommended textbooks. This exemption shall not apply to any locally imposed sales or use tax.**]**

[144.605. The following words and phrases as used in sections 144.600 to 144.745 mean and include:

(1) "Calendar quarter", the period of three consecutive calendar months ending on March thirty-first, June thirtieth, September thirtieth or December thirty-first;

(2) "Engages in business activities within this state" includes:

(a) Purposefully or systematically exploiting the market provided by this state by any media-assisted, media-facilitated, or media-solicited means, including, but not limited to, direct mail advertising, distribution of catalogs, computer-assisted shopping, telephone, television, radio, or other electronic media, or magazine or newspaper advertisements, or other media; or

(b) Being owned or controlled by the same interests which own or control any seller engaged in the same or similar line of business in this state; or

(c) Maintaining or having a franchisee or licensee operating under the seller's trade name in this state if the franchisee or licensee is required to collect sales tax pursuant to sections 144.010 to 144.525; or

(d) Soliciting sales or taking orders by sales agents or traveling representatives;

(3) "Maintains a place of business in this state" includes maintaining, occupying, or using, permanently or temporarily, directly or indirectly, or through a subsidiary, or agent, by whatever name called, an office, place of distribution, sales or sample room or place, warehouse or storage place, or other place of business;

(4) "Person", any individual, firm, copartnership, joint venture, association, corporation, municipal or private, and whether organized for profit or not, state, county, political subdivision, state department, commission, board, bureau or agency, except the state transportation department, estate, trust, business trust, receiver or trustee appointed by the state or federal court, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular number;

(5) "Purchase", the acquisition of the ownership of, or title to, tangible personal property, through a sale, as defined herein, for the purpose of storage, use or consumption in this state;

(6) "Purchaser", any person who is the recipient for a valuable consideration of any sale of tangible personal property acquired for use, storage or consumption in this state;

(7) "Sale", any transfer, barter or exchange of the title or ownership of tangible personal property, or the right to use, store or consume the same, for a consideration paid or to be paid, and any transaction whether called leases, rentals, bailments, loans, conditional sales or otherwise, and notwithstanding that the title or possession of the property or both is retained for security. For the purpose of this law the place of delivery of the property to the purchaser, user, storer or consumer is deemed to be the place of sale, whether the delivery be by the vendor or by common carriers, private contractors, mails, express, agents, salesmen, solicitors, hawkers, representatives, consignors, peddlers, canvassers or otherwise;

(8) "Sales price", the consideration including the charges for services, except charges incident to the extension of credit, paid or given, or contracted to be paid or given, by the purchaser to the vendor for the tangible personal property, including any services that are a part of the sale, valued in money, whether paid in money or otherwise, and any amount for which credit is given to the purchaser by the vendor, without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service cost, losses or any other expenses whatsoever, except that cash discounts allowed and taken on sales shall not be included and "sales price" shall not include the amount charged for property returned by customers upon rescission of the contract of sales when the entire amount charged therefor is refunded either in cash or credit or the amount charged for labor or services rendered in installing or applying the property sold, the use, storage or consumption of which is taxable pursuant to sections 144.600 to 144.745. In determining the amount of tax due pursuant to sections 144.600 to 144.745, any charge incident to the extension of credit shall be specifically exempted;

(9) "Selling agent", every person acting as a representative of a principal, when such principal is not registered with the director of revenue of the state of Missouri for the collection of the taxes imposed pursuant to sections 144.010 to 144.525 or sections 144.600 to 144.745 and who receives compensation by reason of the sale of tangible personal property of the principal, if such property is to be stored, used, or consumed in this state;

(10) "Storage", any keeping or retention in this state of tangible personal property purchased from a vendor, except property for sale or property that is temporarily kept or retained in this state for subsequent use outside the state;

(11) "Tangible personal property", all items subject to the Missouri sales tax as provided in subdivisions (1) and (3) of section 144.020;

(12) "Taxpayer", any person remitting the tax or who should remit the tax levied by sections 144.600 to 144.745;

(13) "Use", the exercise of any right or power over tangible personal property incident to the ownership or control of that property, except that it does not include the temporary storage of property in this state for subsequent use outside the state, or the sale of the property in the regular course of business;

(14) "Vendor", every person engaged in making sales of tangible personal property by mail order, by advertising, by agent or peddling tangible personal property, soliciting or taking orders for sales of tangible personal property, for storage, use or consumption in this state, all salesmen, solicitors, hawkers, representatives, consignees, peddlers or canvassers, as agents of the dealers, distributors, consignors, supervisors, principals or employers under whom they operate or from whom they obtain the tangible personal property sold by them, and every person who maintains a place of business in this state, maintains a stock of goods in this state, or engages in business activities within this state and every person who engages in this state in the business of acting as a selling agent for persons not otherwise vendors as defined in this subdivision. Irrespective of whether they are making sales on their own behalf or on behalf of the dealers, distributors, consignors, supervisors, principals or employers, they must be regarded as vendors and the dealers, distributors, consignors, supervisors, principals or employers must be regarded as vendors for the purposes of sections 144.600 to 144.745. A person shall not be considered a vendor for the purposes of sections 144.600 to 144.745 if all of the following apply:

(a) The person's total gross receipts did not exceed five hundred thousand dollars in this state, or twelve and one-half million dollars in the entire United States, in the immediately preceding calendar year;

(b) The person maintains no place of business in this state; and

(c) The person has no selling agents in this state.**]**

[144.1000. Sections 144.1000 to 144.1015 shall be known as and referred to as the "Simplified Sales and Use Tax Administration Act".**]**

[144.1003. As used in sections 144.1000 to 144.1015, the following terms shall mean:

(1) "Agreement", the streamlined sales and use tax agreement;

(2) "Certified automated system", software certified jointly by the states that are signatories to the agreement to calculate the tax imposed by each jurisdiction on a transaction, determine the amount of tax to remit to the appropriate state and maintain a record of the transaction;

(3) "Certified service provider", an agent certified jointly by the states that are signatories to the agreement to perform all of the seller's sales tax functions;

(4) "Person", an individual, trust, estate, fiduciary, partnership, limited liability company, limited liability partnership, corporation or any other legal entity;

(5) "Sales tax", any sales tax levied pursuant to this chapter, section 32.085, or any other sales tax authorized by statute and levied by this state or its political subdivisions;

(6) "Seller", any person making sales, leases or rentals of personal property or services;

(7) "State", any state of the United States and the District of Columbia;

(8) "Use tax", the use tax levied pursuant to this chapter.**]**

[144.1006. For the purposes of reviewing and, if necessary, amending the agreement embodying the simplification recommendations contained in section 144.1015, the state may enter into multistate discussions. For purposes of such discussions, the state shall be represented by seven delegates, one of whom shall be appointed by the governor, two members appointed by the speaker of the house of representatives, one member appointed by the minority leader of the house of representatives, two members appointed by the president pro tempore of the senate and one member appointed by the minority leader of the senate. The delegates need not be members of the general assembly and at least one of the delegates appointed by the speaker of the house of representatives and one member appointed by the president pro tempore of the senate shall be from the private sector and represent the interests of Missouri businesses. The delegates shall recommend to the committees responsible for reviewing tax issues in the senate and the house of representatives each year any amendment of state statutes required to be substantially in compliance with the agreement. Such delegates shall make a written report by the fifteenth day of January each year regarding the status of the multistate discussions and upon final adoption of the terms of the sales and use tax agreement by the multistate body.**]**

[144.1009. No provision of the agreement authorized by sections 144.1000 to 144.1015 in whole or in part invalidates or amends any provision of the law of this state. Implementation of any condition of this agreement in this state, whether adopted before, at, or after membership of this state in the agreement, must be by action of the general assembly. Such report shall be delivered to the governor, the secretary of state, the president pro tempore of the senate and the speaker of the house of representatives and shall simultaneously be made publicly available by the secretary of state to any person requesting a copy.**]**

[144.1012. Unless five of the seven delegates agree, the delegates shall not enter into or vote for any streamlined sales and use tax agreement that:

(1) Requires adoption of a definition of any term that would cause any item or transaction that is now excluded or exempted from sales or use tax to become subject to sales or use tax;

(2) Requires the state of Missouri to fully exempt or fully apply sales taxes to the sale of food or any other item;

(3) Restricts the ability of local governments under statutes in effect on August 28, 2002, to enact one or more local taxes on one or more items without application of the tax to all sales within the taxing jurisdiction, however, restriction of any such taxes allowed by statutes effective after August 28, 2002, may be supported;

(4) Provides for adoption of any uniform rate structure that would result in a tax increase for any Missouri taxpayer;

(5) Affects the sourcing of sales tax transactions; or

(6) Prohibits limitations or thresholds on the application of sales and use tax rates or prohibits any current sales or use tax exemption in the state of Missouri, including exemptions that are based on the value of the transaction or item.**]**

[144.1015. In addition to the requirements of section 144.1012, the delegates should consider the following features when deciding whether or not to enter into any streamlined sales and use tax agreement:

(1) The agreement should address the limitation of the number of state rates over time;

(2) The agreement should establish uniform standards for administration of exempt sales and the form used for filing sales and use tax returns and remittances;

(3) The agreement should require the state to provide a central, electronic registration system that allows a seller to register to collect and remit sales and use taxes for all signatory states;

(4) The agreement should provide that registration with the central registration system and the collection of sales and use taxes in the signatory states will not be used as a factor in determining whether the seller has nexus with a state for any tax;

(5) The agreement should provide for reduction of the burdens of complying with local sales and use taxes through the following so long as they do not conflict with the provisions of section 144.1012:

(a) Restricting variances between the state and local tax bases;

(b) Requiring states to administer any sales and use taxes levied by local jurisdictions within the state so that sellers collecting and remitting these taxes will not have to register or file returns with, remit funds to, or be subject to independent audits from local taxing jurisdictions;

(c) Restricting the frequency of changes in the local sales and use tax rates and setting effective dates for the application of local jurisdictional boundary changes to local sales and use taxes; and

(d) Providing notice of changes in local sales and use tax rates and of changes in the boundaries of local taxing jurisdictions;

(6) The agreement should outline any monetary allowances that are to be provided by the states to sellers or certified service providers. The agreement must allow for a joint public and private sector study of the compliance cost on sellers and certified service providers to collect sales and use taxes for state and local governments under various levels of complexity to be completed by July 1, 2003;

(7) The agreement should require each state to certify compliance with the terms of the agreement prior to joining and to maintain compliance, under the laws of the member state, with all provisions of the agreement while a member, only if the agreement and any amendment thereto complies with the provisions of section 144.1012;

(8) The agreement should require each state to adopt a uniform policy for certified service providers that protects the privacy of consumers and maintains the confidentiality of tax information; and

(9) The agreement should provide for the appointment of an advisory council of private sector representatives and an advisory council of nonmember state representatives to consult with in the administration of the agreement.**]**

Section B. The repeal and reenactment of sections 32.087, 66.620, 67.395, 67.525, 67.571, 67.576, 67.578, 67.581, 67.582, 67.583, 67.584, 67.712, 67.713, 67.729, 67.737, 67.738, 67.745, 67.782, 67.799, 67.997, 67.1300, 67.1303, 67.1305, 67.1545, 67.1712, 67.1775, 67.1959, 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705, 144.010, 144.014, 144.030, 144.032, 144.043, 144.049, 144.054, 144.070, 144.080, 144.083, 144.100, 144.140, 144.210, 144.285, 144.526, 144.655, 144.710, 221.407, 238.235, 238.410, and 644.032, and the enactment of sections 32.070, 32.086, 144.022, 144.040, 144.042, 144.082, 144.084, 144.105, 144.106, 144.123, 144.124, 144.125, and 144.212, and the repeal of sections 66.601, 67.1713, 67.1971, 144.069, 144.605, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, and 144.1015 of this act shall become effective on January 1, 2014.

✓