

SECOND REGULAR SESSION

HOUSE BILL NO. 1872

96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE FUNDERBURK.

6100L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 144.054, RSMo, and to enact in lieu thereof one new section relating to sales tax exemptions for various industries and political subdivisions.

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

Section A. Section 144.054, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 144.054, to read as follows:

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, 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, **or used or consumed in testing, installing, calibrating, maintaining, repairing, or restoring machinery or equipment used in manufacturing, processing, compounding,**

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.

18 **mining, or producing any product.** The exemptions granted in this subsection shall not apply
19 to local sales taxes as defined in section 32.085 and the provisions of this subsection shall be in
20 addition to any state and local sales tax exemption provided in section 144.030.

21 3. In addition to all other exemptions granted under this chapter, there is hereby
22 specifically exempted from the provisions of sections 144.010 to 144.525 and 144.600 to
23 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, and from
24 the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and
25 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085,
26 all utilities, machinery, and equipment used or consumed directly in television or radio
27 broadcasting and all sales and purchases of tangible personal property, utilities, services, or any
28 other transaction that would otherwise be subject to the state or local sales or use tax when such
29 sales are made to or purchases are made by a contractor for use in fulfillment of any obligation
30 under a defense contract with the United States government, and all sales and leases of tangible
31 personal property by any county, city, incorporated town, or village, provided such sale or lease
32 is authorized under chapter 100, and such transaction is certified for sales tax exemption by the
33 department of economic development, and tangible personal property used for railroad
34 infrastructure brought into this state for processing, fabrication, or other modification for use
35 outside the state in the regular course of business.

36 4. In addition to all other exemptions granted under this chapter, there is hereby
37 specifically exempted from the provisions of sections 144.010 to 144.525 and 144.600 to
38 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, and from
39 the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and
40 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085,
41 all sales and purchases of tangible personal property, utilities, services, or any other transaction
42 that would otherwise be subject to the state or local sales or use tax when such sales are made
43 to or purchases are made by a private partner for use in completing a project under sections
44 227.600 to 227.669.

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