

FIRST REGULAR SESSION

HOUSE BILL NO. 824

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE GUERNSEY.

2046H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 144.032 and 205.205, RSMo, and to enact in lieu thereof four new sections relating to local hospitals.

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

Section A. Sections 144.032 and 205.205, RSMo, are repealed and four new sections enacted in lieu thereof, to be known as sections 96.155, 144.032, 205.205, and 206.165, to read as follows:

96.155. 1. The board of trustees of a hospital established under this chapter, with the concurrence of the council of the city of the third class, may, by resolution, abolish the property tax authorized by section 96.150 to fund the operations of a hospital in accordance with sections 96.150 to 96.228 and impose a sales tax on all retail sales made within the city which are subject to sales tax under chapter 144 and all sales of metered water services, electricity, electrical current and natural, artificial or propane gas, wood, coal, or home heating oil for domestic use only as provided under section 144.032. The tax authorized in this section shall be not more than one percent, and shall be imposed solely for the purpose of funding the operations of a hospital under sections 96.150 to 96.228. 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. No such resolution adopted under this section shall become effective unless the board of trustees of such a hospital submits to the voters residing within the city of the third class at a state general, primary, or special election a proposal to authorize the board of trustees to impose a tax under this section. If two-thirds of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the tax shall

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

17 become effective on the first day of the second calendar quarter after the director of
18 revenue receives notification of adoption of the local sales tax. If less than two-thirds of the
19 votes cast on the question by the qualified voters voting thereon are in favor of the
20 question, then the tax shall not become effective unless and until the question is
21 resubmitted under this section to the qualified voters and such question is approved by
22 two-thirds of the qualified voters voting on the question.

23 3. All revenue collected under this section by the director of the department of
24 revenue on behalf of the hospital operated under sections 96.150 to 96.228, except for one
25 percent for the cost of collection which shall be deposited in the state's general revenue
26 fund, shall be deposited in a special trust fund, which is hereby created and shall be known
27 as the "City of the Third Class City Hospital Sales Tax Fund", and shall be used solely for
28 the designated purposes. Moneys in the fund shall not be deemed to be state funds, and
29 shall not be commingled with any funds of the state. The director may make refunds from
30 the amounts in the fund and credited to the board of trustees of the city hospital for
31 erroneous payments and overpayments made, and may redeem dishonored checks and
32 drafts deposited to the credit of such board of trustees. Any funds in the special fund
33 which are not needed for current expenditures shall be invested in the same manner as
34 other funds are invested. Any interest and moneys earned on such investments shall be
35 credited to the fund.

36 4. The board of trustees of a hospital operated under sections 96.150 to 96.228 that
37 has adopted the sales tax authorized in this section may submit the question of repeal of
38 the tax to the voters on any date available for elections for the city of the third class. If a
39 majority of the votes cast on the question by the qualified voters voting thereon are in favor
40 of the repeal, that repeal shall become effective on December thirty-first of the calendar
41 year in which such repeal was approved. If a majority of the votes cast on the question by
42 the qualified voters voting thereon are opposed to the repeal, then the sales tax authorized
43 in this section shall remain effective until the question is resubmitted under this section to
44 the qualified voters and the repeal is approved by a majority of the qualified voters voting
45 on the question.

46 5. Whenever the board of trustees of a hospital operated under sections 96.150 to
47 96.228 that has adopted the sales tax authorized in this section receives a petition, signed
48 by a number of registered voters of the city of the third class equal to at least ten percent
49 of the number of registered voters of the city voting in the last gubernatorial election,
50 calling for an election to repeal the sales tax imposed under this section, the board of
51 trustees shall submit to the voters of the city of the third class a proposal to repeal the tax.
52 If a majority of the votes cast on the question by the qualified voters voting thereon are in

53 favor of the repeal, the repeal shall become effective on December thirty-first of the
54 calendar year in which such repeal was approved. If a majority of the votes cast on the
55 question by the qualified voters voting thereon are opposed to the repeal, then the sales tax
56 authorized in this section shall remain effective until the question is resubmitted under this
57 section to the qualified voters and the repeal is approved by a majority of the qualified
58 voters voting on the question.

59 6. If the tax is repealed or terminated by any means, all funds remaining in the
60 special trust fund shall continue to be used solely for the designated purposes, and the
61 board of trustees shall notify the director of the department of revenue of the action at least
62 ninety days before the effective date of the repeal and the director may order retention in
63 the trust fund, for a period of one year, of two percent of the amount collected after receipt
64 of such notice to cover possible refunds or overpayment of the tax and to redeem
65 dishonored checks and drafts deposited to the credit of such accounts. After one year has
66 elapsed after the effective date of abolition of the tax in such city of the third class, the
67 director shall remit the balance in the account to the district and close the account of that
68 city hospital. The director shall notify each board of trustees of each instance of any
69 amount refunded or any check redeemed from receipts due the hospital operated under
70 sections 96.150 to 96.228.

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 sections 96.150 to
3 92.228, or any county imposing a sales tax under the provisions of sections 66.600 to 66.635, or
4 any county imposing a sales tax under the provisions of sections 67.500 to 67.729 or section
5 205.205, or any hospital district imposing a sales tax under the provisions of section
6 206.165, or any hospital district imposing a sales tax under the provisions of section 205.205
7 may by ordinance impose a sales tax upon all sales of metered water services, electricity,
8 electrical current and natural, artificial or propane gas, wood, coal, or home heating oil for
9 domestic use only. Such tax shall be administered by the department of revenue and assessed
10 by the retailer in the same manner as any other city, county, or hospital district sales tax.
11 Domestic use shall be determined in the same manner as the determination of domestic use for
12 exemption of such sales from the state sales tax under the provisions of section 144.030.

205.205. 1. The governing body of any [hospital district] **county which has** established
2 a **county hospital** under sections 205.160 to 205.379 [in any county of the third classification
3 without a township form of government and with more than ten thousand six hundred but fewer
4 than ten thousand seven hundred inhabitants or any county of the third classification without a
5 township form of government and with more than eleven thousand seven hundred fifty but fewer
6 than eleven thousand eight hundred fifty inhabitants] may, by resolution, abolish the property tax

7 authorized [in such district] by **section 205.200 to fund a county hospital** under this chapter
8 and impose a sales tax on all retail sales made within the district which are subject to sales tax
9 under chapter 144 and all sales of metered water services, electricity, electrical current and
10 natural, artificial or propane gas, wood, coal, or home heating oil for domestic use only as
11 provided under section 144.032. The tax authorized in this section shall be not more than one
12 percent, and shall be imposed solely for the purpose of funding the **county** hospital [district].
13 The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and
14 shall be stated separately from all other charges and taxes.

15 2. No such resolution adopted under this section shall become effective unless the
16 governing body of the [hospital district] **county** submits to the voters residing within the
17 [district] **county** at a state general, primary, or special election a proposal to authorize the
18 governing body of the [district] **county** to impose a tax under this section. If a majority of the
19 votes cast on the question by the qualified voters voting thereon are in favor of the question, then
20 the tax shall become effective on the first day of the second calendar quarter after the director
21 of revenue receives notification of adoption of the local sales tax. If a majority of the votes cast
22 on the question by the qualified voters voting thereon are opposed to the question, then the tax
23 shall not become effective unless and until the question is resubmitted under this section to the
24 qualified voters and such question is approved by a majority of the qualified voters voting on the
25 question.

26 3. All revenue collected under this section by the director of the department of revenue
27 on behalf of the **county** hospital [district], except for one percent for the cost of collection which
28 shall be deposited in the state's general revenue fund, shall be deposited in a special trust fund,
29 which is hereby created and shall be known as the "**County** Hospital [District] Sales Tax Fund",
30 and shall be used solely for the designated purposes. Moneys in the fund shall not be deemed
31 to be state funds, and shall not be commingled with any funds of the state. The director may
32 make refunds from the amounts in the fund and credited to the district for erroneous payments
33 and overpayments made, and may redeem dishonored checks and drafts deposited to the credit
34 of such district. Any funds in the special fund which are not needed for current expenditures
35 shall be invested in the same manner as other funds are invested. Any interest and moneys
36 earned on such investments shall be credited to the fund.

37 4. The governing body of any [hospital district] **county** that has adopted the sales tax
38 authorized in this section may submit the question of repeal of the tax to the voters on any date
39 available for elections for the district. If a majority of the votes cast on the question by the
40 qualified voters voting thereon are in favor of the repeal, that repeal shall become effective on
41 December thirty-first of the calendar year in which such repeal was approved. If a majority of
42 the votes cast on the question by the qualified voters voting thereon are opposed to the repeal,

43 then the sales tax authorized in this section shall remain effective until the question is
44 resubmitted under this section to the qualified voters and the repeal is approved by a majority of
45 the qualified voters voting on the question.

46 5. Whenever the governing body of any [hospital district] **county** that has adopted the
47 sales tax authorized in this section receives a petition, signed by a number of registered voters
48 of the [district] **county** equal to at least ten percent of the number of registered voters of the
49 [district] **county** voting in the last gubernatorial election, calling for an election to repeal the
50 sales tax imposed under this section, the governing body shall submit to the voters of the
51 [district] **county** a proposal to repeal the tax. If a majority of the votes cast on the question by
52 the qualified voters voting thereon are in favor of the repeal, the repeal shall become effective
53 on December thirty-first of the calendar year in which such repeal was approved. If a majority
54 of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal,
55 then the sales tax authorized in this section shall remain effective until the question is
56 resubmitted under this section to the qualified voters and the repeal is approved by a majority of
57 the qualified voters voting on the question.

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

69 7. **The levy of a sales tax by a county under this section or section 205.202 shall be**
70 **deemed to comply with the requirements of this section if it was approved prior to January**
71 **1, 2012, by the voters of the county.**

206.165. 1. The governing body of any hospital district established under sections
2 **206.010 to 206.160 may, by resolution, abolish the property tax authorized in such district**
3 **under this chapter and impose a sales tax on all retail sales made within the district which**
4 **are subject to sales tax under chapter 144 and all sales of metered water services,**
5 **electricity, electrical current and natural, artificial or propane gas, wood, coal, or home**
6 **heating oil for domestic use only as provided under section 144.032. The tax authorized**
7 **in this section shall not be more than one percent, and shall be imposed solely for the**

8 purpose of funding the hospital district. The tax authorized in this section shall be in
9 addition to all other sales taxes imposed by law, and shall be stated separately from all
10 other charges and taxes.

11 2. No such resolution adopted under this section shall become effective unless the
12 governing body of the hospital district submits to the voters residing within the district at
13 a state general, primary, or special election a proposal to authorize the governing body of
14 the district to impose a tax under this section. If a majority of the votes cast on the
15 question by the qualified voters voting thereon are in favor of the question, then the tax
16 shall become effective on the first day of the second calendar quarter after the director of
17 revenue receives notification of adoption of the local sales tax. If a majority of the votes
18 cast on the question by the qualified voters voting thereon are opposed to the question, then
19 the tax shall not become effective unless and until the question is resubmitted under this
20 section to the qualified voters and such question is approved by a majority of the qualified
21 voters voting on the question.

22 3. All revenue collected under this section by the director of the department of
23 revenue on behalf of the hospital district, except for one percent for the cost of collection
24 which shall be deposited in the state's general revenue fund, shall be deposited in a special
25 trust fund, which is hereby created and shall be known as the "Hospital District Sales Tax
26 Fund", and shall be used solely for the designated purposes. Moneys in the fund shall not
27 be deemed to be state funds, and shall not be commingled with any funds of the state. The
28 director may make refunds from the amounts in the fund and credited to the district for
29 erroneous payments and overpayments made, and may redeem dishonored checks and
30 drafts deposited to the credit of such district. Any funds in the special fund which are not
31 needed for current expenditures shall be invested in the same manner as other funds are
32 invested. Any interest and moneys earned on such investments shall be credited to the
33 fund.

34 4. The governing body of any hospital district that has adopted the sales tax
35 authorized in this section may submit the question of repeal of the tax to the voters on any
36 date available for elections for the district. If a majority of the votes cast on the question
37 by the qualified voters voting thereon are in favor of the repeal, that repeal shall become
38 effective on December thirty-first of the calendar year in which such repeal was approved.
39 If a majority of the votes cast on the question by the qualified voters voting thereon are
40 opposed to the repeal, then the sales tax authorized in this section shall remain effective
41 until the question is resubmitted under this section to the qualified voters and the repeal
42 is approved by a majority of the qualified voters voting on the question.

43 **5. Whenever the governing body of any hospital district that has adopted the sales**
44 **tax authorized in this section receives a petition, signed by a number of registered voters**
45 **of the district equal to at least ten percent of the number of registered voters of the district**
46 **voting in the last gubernatorial election, calling for an election to repeal the sales tax**
47 **imposed under this section, the governing body shall submit to the voters of the district a**
48 **proposal to repeal the tax. If a majority of the votes cast on the question by the qualified**
49 **voters voting thereon are in favor of the repeal, the repeal shall become effective on**
50 **December thirty-first of the calendar year in which such repeal was approved. If a**
51 **majority of the votes cast on the question by the qualified voters voting thereon are**
52 **opposed to the repeal, then the sales tax authorized in this section shall remain effective**
53 **until the question is resubmitted under this section to the qualified voters and the repeal**
54 **is approved by a majority of the qualified voters voting on the question.**

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

66 **7. The levy of a sales tax by a hospital district under section 205.205 shall be**
67 **deemed to comply with the requirements of this section if it was approved prior to January**
68 **1, 2012, by the voters of the hospital district.**

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