

FIRST REGULAR SESSION  
[TRULY AGREED TO AND FINALLY PASSED]  
SENATE SUBSTITUTE FOR

# HOUSE BILL NO. 184

## 97TH GENERAL ASSEMBLY

0975S.04T

2013

---

---

### AN ACT

To repeal sections 32.087, 67.1010, 135.960, 144.020, 144.021, 144.069, 144.071, 144.440, 144.450, 144.455, 144.525, 144.610, 144.613, and 144.615, RSMo, and to enact in lieu thereof twenty new sections relating to taxation.

---

---

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

Section A. Sections 32.087, 67.1010, 135.960, 144.020, 144.021, 144.069, 144.071, 2 144.440, 144.450, 144.455, 144.525, 144.610, 144.613, and 144.615, RSMo, are repealed and 3 twenty new sections enacted in lieu thereof, to be known as sections 32.087, 67.1010, 135.960, 4 144.020, 144.021, 144.069, 144.071, 144.440, 144.450, 144.455, 144.525, 144.610, 144.613, 5 144.615, 620.2000, 620.2005, 620.2010, 620.2015, 620.2020, and 1, to read as follows:

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

2. Any local sales tax so adopted shall become effective on the first day of the second 7 calendar quarter after the director of revenue receives notice of adoption of the local sales tax, 8 except as provided in subsection 18 of this section, **and shall be imposed on all transactions** 9 **on which the Missouri state sales tax is imposed.**

3. Every retailer within the jurisdiction of one or more taxing entities which has imposed 10 one or more local sales taxes under the local sales tax law shall add all taxes so imposed along 11 with the tax imposed by the sales tax law of the state of Missouri to the sale price and, when 12 added, the combined tax shall constitute a part of the price, and shall be a debt of the purchaser 13

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.

14 to the retailer until paid, and shall be recoverable at law in the same manner as the purchase  
15 price. The combined rate of the state sales tax and all local sales taxes shall be the sum of the  
16 rates, multiplying the combined rate times the amount of the sale.

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

20 5. (1) The ordinance or order imposing a local sales tax under the local sales tax law  
21 shall impose a tax upon all [sellers a tax for the privilege of engaging in the business of selling  
22 tangible personal property or rendering taxable services at retail] **transactions upon which the**  
23 **Missouri state sales tax is imposed** to the extent and in the manner provided in sections  
24 144.010 to 144.525, and the rules and regulations of the director of revenue issued pursuant  
25 thereto; except that the rate of the tax shall be the sum of the combined rate of the state sales tax  
26 or state highway use tax and all local sales taxes imposed under the provisions of the local sales  
27 tax law.

28 (2) **Notwithstanding any other provision of law to the contrary, local taxing**  
29 **jurisdictions, except those in which voters have previously approved a local use tax under**  
30 **section 144.757, shall have placed on the ballot on or after the general election in November**  
31 **2014, but no later than the general election in November 2016, whether to repeal**  
32 **application of the local sales tax to the titling of motor vehicles, trailers, boats, and**  
33 **outboard motors that are subject to state sales tax under section 144.020 and purchased**  
34 **from a source other than a licensed Missouri dealer. The ballot question presented to the**  
35 **local voters shall contain substantially the following language:**

36 Shall the ..... (local jurisdiction's name) discontinue applying and  
37 collecting the local sales tax on the titling of motor vehicles, trailers, boats, and outboard  
38 motors that were purchased from a source other than a licensed Missouri dealer?  
39 Approval of this measure will result in a reduction of local revenue to provide for vital  
40 services for ..... (local jurisdiction's name) and it will place Missouri dealers of  
41 motor vehicles, outboard motors, boats, and trailers at a competitive disadvantage to non-  
42 Missouri dealers of motor vehicles, outboard motors, boats, and trailers.

43  YES  NO

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

46 (3) If the ballot question set forth in subdivision (2) of this subsection receives a  
47 majority of the votes cast in favor of the proposal, or if the local taxing jurisdiction fails

48 to place the ballot question before the voters on or before the general election in November  
49 2016, the local taxing jurisdiction shall cease applying the local sales tax to the titling of  
50 motor vehicles, trailers, boats, and outboard motors that were purchased from a source  
51 other than a licensed Missouri dealer.

52 (4) In addition to the requirement that the ballot question set forth in subdivision  
53 (2) of this subsection be placed before the voters, the governing body of any local taxing  
54 jurisdiction that had previously imposed a local use tax on the use of motor vehicles,  
55 trailers, boats, and outboard motors may, at any time, place a proposal on the ballot at any  
56 election to repeal application of the local sales tax to the titling of motor vehicles, trailers,  
57 boats, and outboard motors purchased from a source other than a licensed Missouri dealer.  
58 If a majority of the votes cast by the registered voters voting thereon are in favor of the  
59 proposal to repeal application of the local sales tax to such titling, then the local sales tax  
60 shall no longer be applied to the titling of motor vehicles, trailers, boats, and outboard  
61 motors purchased from a source other than a licensed Missouri dealer. If a majority of the  
62 votes cast by the registered voters voting thereon are opposed to the proposal to repeal  
63 application of the local sales tax to such titling, such application shall remain in effect.

64 (5) In addition to the requirement that the ballot question set forth in subdivision  
65 (2) of this subsection be placed before the voters on or after the general election in  
66 November 2014, and on or before the general election in November 2016, whenever the  
67 governing body of any local taxing jurisdiction imposing a local sales tax on the sale of  
68 motor vehicles, trailers, boats, and outboard motors receives a petition, signed by fifteen  
69 percent of the registered voters of such jurisdiction voting in the last gubernatorial  
70 election, calling for a proposal to be placed on the ballot at any election to repeal  
71 application of the local sales tax to the titling of motor vehicles, trailers, boats, and  
72 outboard motors purchased from a source other than a licensed Missouri dealer, the  
73 governing body shall submit to the voters of such jurisdiction a proposal to repeal  
74 application of the local sales tax to such titling. If a majority of the votes cast by the  
75 registered voters voting thereon are in favor of the proposal to repeal application of the  
76 local sales tax to such titling, then the local sales tax shall no longer be applied to the titling  
77 of motor vehicles, trailers, boats, and outboard motors purchased from a source other than  
78 a licensed Missouri dealer. If a majority of the votes cast by the registered voters voting  
79 thereon are opposed to the proposal to repeal application of the local sales tax to such  
80 titling, such application shall remain in effect.

81           **(6) Nothing in this subsection shall be construed to authorize the voters of any**  
82 **jurisdiction to repeal application of any state sales or use tax.**

83           **(7) If any local sales tax on the titling of motor vehicles, trailers, boats, and**  
84 **outboard motors purchased from a source other than a licensed Missouri dealer is**  
85 **repealed, such repeal shall take effect on the first day of the second calendar quarter after**  
86 **the election. If any local sales tax on the titling of motor vehicles, trailers, boats, and**  
87 **outboard motors purchased from a source other than a licensed Missouri dealer is required**  
88 **to cease to be applied or collected due to failure of a local taxing jurisdiction to hold an**  
89 **election pursuant to subdivision (2) of this subsection, such cessation shall take effect on**  
90 **March 1, 2017.**

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

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

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

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

116           10. All discounts allowed the retailer under the provisions of the state sales tax law for  
117 the collection of and for payment of taxes under the provisions of the state sales tax law are  
118 hereby allowed and made applicable to any local sales tax collected under the provisions of the  
119 local sales tax law.

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

123           12. (1) For the purposes of any local sales tax imposed by an ordinance or order under  
124 the local sales tax law, all sales, except the sale of motor vehicles, trailers, boats, and outboard  
125 motors **required to be titled under the laws of the state of Missouri**, shall be deemed to be  
126 consummated at the place of business of the retailer unless the tangible personal property sold  
127 is delivered by the retailer or his agent to an out-of-state destination. In the event a retailer has  
128 more than one place of business in this state which participates in the sale, the sale shall be  
129 deemed to be consummated at the place of business of the retailer where the initial order for the  
130 tangible personal property is taken, even though the order must be forwarded elsewhere for  
131 acceptance, approval of credit, shipment or billing. A sale by a retailer's agent or employee shall  
132 be deemed to be consummated at the place of business from which he works.

133           (2) For the purposes of any local sales tax imposed by an ordinance or order under the  
134 local sales tax law, **the sales tax upon the titling of** all [sales of] motor vehicles, trailers, boats,  
135 and outboard motors shall be [deemed to be consummated] **imposed** at the **rate in effect at the**  
136 **location of the** residence of the purchaser and not at the place of business of the retailer, or the  
137 place of business from which the retailer's agent or employee works.

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

142           13. Local sales taxes [imposed pursuant to the local sales tax law] **shall not be imposed**  
143 **on the seller** [on the purchase and sale] of motor vehicles, trailers, boats, and outboard motors  
144 [shall not be collected and remitted by the seller,] **required to be titled under the laws of the**  
145 **state of Missouri**, but shall be collected **from the purchaser** by the director of revenue at the  
146 time application is made for a certificate of title, if the address of the applicant is within a taxing  
147 entity imposing a local sales tax under the local sales tax law.

148           14. The director of revenue and any of his deputies, assistants and employees who have  
149 any duties or responsibilities in connection with the collection, deposit, transfer, transmittal,  
150 disbursement, safekeeping, accounting, or recording of funds which come into the hands of the  
151 director of revenue under the provisions of the local sales tax law shall enter a surety bond or

152 bonds payable to any and all taxing entities in whose behalf such funds have been collected  
153 under the local sales tax law in the amount of one hundred thousand dollars for each such tax;  
154 but the director of revenue may enter into a blanket bond covering himself and all such deputies,  
155 assistants and employees. The cost of any premium for such bonds shall be paid by the director  
156 of revenue from the share of the collections under the sales tax law retained by the director of  
157 revenue for the benefit of the state.

158         15. The director of revenue shall annually report on his management of each trust fund  
159 which is created under the local sales tax law and administration of each local sales tax imposed  
160 under the local sales tax law. He shall provide each taxing entity imposing one or more local  
161 sales taxes authorized by the local sales tax law with a detailed accounting of the source of all  
162 funds received by him for the taxing entity. Notwithstanding any other provisions of law, the  
163 state auditor shall annually audit each trust fund. A copy of the director's report and annual audit  
164 shall be forwarded to each taxing entity imposing one or more local sales taxes.

165         16. Within the boundaries of any taxing entity where one or more local sales taxes have  
166 been imposed, if any person is delinquent in the payment of the amount required to be paid by  
167 him under the local sales tax law or in the event a determination has been made against him for  
168 taxes and penalty under the local sales tax law, the limitation for bringing suit for the collection  
169 of the delinquent tax and penalty shall be the same as that provided in sections 144.010 to  
170 144.525. Where the director of revenue has determined that suit must be filed against any person  
171 for the collection of delinquent taxes due the state under the state sales tax law, and where such  
172 person is also delinquent in payment of taxes under the local sales tax law, the director of  
173 revenue shall notify the taxing entity in the event any person fails or refuses to pay the amount  
174 of any local sales tax due so that appropriate action may be taken by the taxing entity.

175         17. Where property is seized by the director of revenue under the provisions of any law  
176 authorizing seizure of the property of a taxpayer who is delinquent in payment of the tax imposed  
177 by the state sales tax law, and where such taxpayer is also delinquent in payment of any tax  
178 imposed by the local sales tax law, the director of revenue shall permit the taxing entity to join  
179 in any sale of property to pay the delinquent taxes and penalties due the state and to the taxing  
180 entity under the local sales tax law. The proceeds from such sale shall first be applied to all sums  
181 due the state, and the remainder, if any, shall be applied to all sums due such taxing entity.

182         18. If a local sales tax has been in effect for at least one year under the provisions of the  
183 local sales tax law and voters approve reimposition of the same local sales tax at the same rate  
184 at an election as provided for in the local sales tax law prior to the date such tax is due to expire,  
185 the tax so reimposed shall become effective the first day of the first calendar quarter after the  
186 director receives a certified copy of the ordinance, order or resolution accompanied by a map  
187 clearly showing the boundaries thereof and the results of such election, provided that such

188 ordinance, order or resolution and all necessary accompanying materials are received by the  
189 director at least thirty days prior to the expiration of such tax. Any administrative cost or  
190 expense incurred by the state as a result of the provisions of this subsection shall be paid by the  
191 city or county reimposing such tax.

67.1010. Any tax, and the revenues derived from the tax, imposed under the provisions  
2 of sections 67.1006 to 67.1012 shall be administered by the tourism commission, appointed  
3 under the provisions of sections 67.1006 to 67.1012. The revenues received from the tax shall  
4 be deposited by the commission in a special fund and used solely for the promotion of tourism  
5 within the county with at least fifty percent of the revenue used for joint efforts to promote a state  
6 operated facility for the first five years the tax is in effect. After the expiration of five years, the  
7 commission shall decide on the use of the moneys. [None of the revenue from the tax shall be  
8 used for salaries.]

135.960. 1. Any governing authority that desires to have any portion of a city or  
2 unincorporated area of a county under its control designated as an enhanced enterprise zone shall  
3 hold a public hearing for the purpose of obtaining the opinion and suggestions of those persons  
4 who will be affected by such designation. [The governing authority shall notify the director of  
5 such hearing at least thirty days prior thereto and shall publish notice of such hearing in a  
6 newspaper of general circulation in the area to be affected by such designation at least twenty  
7 days prior to the date of the hearing but not more than thirty days prior to such hearing. Such  
8 notice shall state the time, location, date, and purpose of the hearing. The director, or the  
9 director's designee, shall attend such hearing.]

10 2. After a public hearing is held as required in subsection 1 of this section, the governing  
11 authority may, [file a petition with the department requesting the designation of] **by a majority**  
12 **vote of the members of the governing authority, adopt an ordinance or resolution**  
13 **designating** a specific area as an enhanced enterprise zone. Such [petition] **ordinance** shall  
14 include, in addition to a description of the physical, social, and economic characteristics of the  
15 area:

16 (1) A plan to provide adequate police protection within the area;

17 (2) A specific and practical process for individual businesses to obtain waivers from  
18 burdensome local regulations, ordinances, and orders which serve to discourage economic  
19 development within the area to be designated an enhanced enterprise zone, except that such  
20 waivers shall not substantially endanger the health or safety of the employees of any such  
21 business or the residents of the area;

22 (3) A description of what other specific actions will be taken to support and encourage  
23 private investment within the area;

24 (4) A plan to ensure that resources are available to assist area residents to participate in  
25 increased development through self-help efforts and in ameliorating any negative effects of  
26 designation of the area as an enhanced enterprise zone;

27 (5) A statement describing the projected positive and negative effects of designation of  
28 the area as an enhanced enterprise zone;

29 (6) A specific plan to provide assistance to any person or business dislocated as a result  
30 of activities within the enhanced enterprise zone. Such plan shall determine the need of  
31 dislocated persons for relocation assistance; provide, prior to displacement, information about  
32 the type, location, and price of comparable housing or commercial property; provide information  
33 concerning state and federal programs for relocation assistance and provide other advisory  
34 services to displaced persons. Public agencies may choose to provide assistance under the  
35 Uniform Relocation and Real Property Acquisition Act, 42 U.S.C. Section 4601, et seq., to meet  
36 the requirements of this subdivision; and

37 (7) A description or plan that demonstrates the requirements of subsection 4 of section  
38 135.953.

39 3. An enhanced enterprise zone designation shall [be effective upon such approval by  
40 the department and shall] expire in twenty-five years.

41 4. Each designated enhanced enterprise zone board shall report to the director on an  
42 annual basis regarding the status of the zone and business activity within the zone.

144.020. 1. A tax is hereby levied and imposed **for the privilege of titling new and  
2 used motor vehicles, trailers, boats, and outboard motors purchased or acquired for use  
3 on the highways or waters of this state which are required to be titled under the laws of the  
4 state of Missouri and, except as provided in subdivision (9) of this subsection,** upon all  
5 sellers for the privilege of engaging in the business of selling tangible personal property or  
6 rendering taxable service at retail in this state. The rate of tax shall be as follows:

7 (1) Upon every retail sale in this state of tangible personal property, [including but not  
8 limited to] **excluding** motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats and  
9 outboard motors **required to be titled under the laws of the state of Missouri and subject to  
10 tax under subdivision (9) of this subsection,** a tax equivalent to four percent of the purchase  
11 price paid or charged, or in case such sale involves the exchange of property, a tax equivalent  
12 to four percent of the consideration paid or charged, including the fair market value of the  
13 property exchanged at the time and place of the exchange, except as otherwise provided in  
14 section 144.025;

15 (2) A tax equivalent to four percent of the amount paid for admission and seating  
16 accommodations, or fees paid to, or in any place of amusement, entertainment or recreation,  
17 games and athletic events;

18 (3) A tax equivalent to four percent of the basic rate paid or charged on all sales of  
19 electricity or electrical current, water and gas, natural or artificial, to domestic, commercial or  
20 industrial consumers;

21 (4) A tax equivalent to four percent on the basic rate paid or charged on all sales of local  
22 and long distance telecommunications service to telecommunications subscribers and to others  
23 through equipment of telecommunications subscribers for the transmission of messages and  
24 conversations and upon the sale, rental or leasing of all equipment or services pertaining or  
25 incidental thereto; except that, the payment made by telecommunications subscribers or others,  
26 pursuant to section 144.060, and any amounts paid for access to the internet or interactive  
27 computer services shall not be considered as amounts paid for telecommunications services;

28 (5) A tax equivalent to four percent of the basic rate paid or charged for all sales of  
29 services for transmission of messages of telegraph companies;

30 (6) A tax equivalent to four percent on the amount of sales or charges for all rooms,  
31 meals and drinks furnished at any hotel, motel, tavern, inn, restaurant, eating house, drugstore,  
32 dining car, tourist cabin, tourist camp or other place in which rooms, meals or drinks are  
33 regularly served to the public;

34 (7) A tax equivalent to four percent of the amount paid or charged for intrastate tickets  
35 by every person operating a railroad, sleeping car, dining car, express car, boat, airplane and such  
36 buses and trucks as are licensed by the division of motor carrier and railroad safety of the  
37 department of economic development of Missouri, engaged in the transportation of persons for  
38 hire;

39 (8) A tax equivalent to four percent of the amount paid or charged for rental or lease of  
40 tangible personal property, provided that if the lessor or renter of any tangible personal property  
41 had previously purchased the property under the conditions of "sale at retail" or leased or rented  
42 the property and the tax was paid at the time of purchase, lease or rental, the lessor, sublessor,  
43 renter or subrenter shall not apply or collect the tax on the subsequent lease, sublease, rental or  
44 subrental receipts from that property. The purchase, rental or lease of motor vehicles, trailers,  
45 motorcycles, mopeds, motortricycles, boats, and outboard motors shall be taxed and the tax paid  
46 as provided in this section and section 144.070. In no event shall the rental or lease of boats and  
47 outboard motors be considered a sale, charge, or fee to, for or in places of amusement,  
48 entertainment or recreation nor shall any such rental or lease be subject to any tax imposed to,  
49 for, or in such places of amusement, entertainment or recreation. Rental and leased boats or  
50 outboard motors shall be taxed under the provisions of the sales tax laws as provided under such  
51 laws for motor vehicles and trailers. Tangible personal property which is exempt from the sales  
52 or use tax under section 144.030 upon a sale thereof is likewise exempt from the sales or use tax  
53 upon the lease or rental thereof.

54           **(9) A tax equivalent to four percent of the purchase price, as defined in section**  
55 **144.070, of new and used motor vehicles, trailers, boats, and outboard motors purchased**  
56 **or acquired for use on the highways or waters of this state which are required to be**  
57 **registered under the laws of the state of Missouri. This tax is imposed on the person titling**  
58 **such property, and shall be paid according to the procedures in section 144.440.**

59           2. All tickets sold which are sold under the provisions of sections 144.010 to 144.525  
60 which are subject to the sales tax shall have printed, stamped or otherwise endorsed thereon, the  
61 words "This ticket is subject to a sales tax."

          144.021. The purpose and intent of sections 144.010 to 144.510 is to impose a tax upon  
2 the privilege of engaging in the business, in this state, of selling tangible personal property and  
3 those services listed in section 144.020 **and for the privilege of titling new and used motor**  
4 **vehicles, trailers, boats, and outboard motors purchased or acquired for use on the**  
5 **highways or waters of this state which are required to be registered under the laws of the**  
6 **state of Missouri. Except as otherwise provided,** the primary tax burden is placed upon the  
7 seller making the taxable sales of property or service and is levied at the rate provided for in  
8 section 144.020. Excluding **subdivision (9) of subsection 1 of section 144.020 and** sections  
9 144.070, 144.440 and 144.450, the extent to which a seller is required to collect the tax from the  
10 purchaser of the taxable property or service is governed by section 144.285 and in no way affects  
11 sections 144.080 and 144.100, which require all sellers to report to the director of revenue their  
12 "gross receipts", defined herein to mean the aggregate amount of the sales price of all sales at  
13 retail, and remit tax at four percent of their gross receipts.

          144.069. All sales **taxes associated with the titling** of motor vehicles, trailers, boats and  
2 outboard motors **under the laws of Missouri** shall be [deemed to be consummated] **imposed**  
3 at the **rate in effect at the location of the** address of the owner thereof, and all **sales taxes**  
4 **associated with the titling of vehicles under** leases of over sixty-day duration of motor  
5 vehicles, trailers, boats and outboard motors [subject to sales taxes under this chapter] shall be  
6 [deemed to be consummated] **imposed at the rate in effect,** unless the vehicle, trailer, boat or  
7 motor has been registered and sales taxes have been paid prior to the consummation of the lease  
8 agreement at the **location of the** address of the lessee thereof on the date the lease is  
9 consummated, and all applicable sales taxes levied by any political subdivision shall be collected  
10 on such sales **from the purchaser or lessee** by the state department of revenue on that basis.

          144.071. 1. In all cases where the purchaser of a motor vehicle, trailer, boat or outboard  
2 motor rescinds the sale of that motor vehicle, trailer, boat or outboard motor and receives a  
3 refund of the purchase price and returns the motor vehicle, trailer, boat or outboard motor to the  
4 seller within sixty calendar days from the date of the sale, **any** [the sales or use] tax paid to the

5 department of revenue shall be refunded to the purchaser upon proper application to the director  
6 of revenue.

7         2. In any rescission whereby a seller reacquires title to the motor vehicle, trailer, boat or  
8 outboard motor sold by him and the reacquisition is within sixty calendar days from the date of  
9 the original sale, the person reacquiring the motor vehicle, trailer, boat or outboard motor shall  
10 be entitled to a refund of any [sales or use] tax paid as a result of the reacquisition of the motor  
11 vehicle, trailer, boat or outboard motor, upon proper application to the director of revenue.

12         3. Any city or county [sales or use] tax refunds shall be deducted by the director of  
13 revenue from the next remittance made to that city or county.

14         4. Each claim for refund must be made within one year after payment of the tax on which  
15 the refund is claimed.

16         5. As used in this section, the term "boat" includes all motorboats and vessels as the  
17 terms "motorboat" and "vessel" are defined in section 306.010.

144.440. 1. [In addition to all other taxes now or hereafter levied and imposed upon  
2 every person for the privilege of using the highways or waterways of this state, there is hereby  
3 levied and imposed a tax equivalent to four percent of the purchase price, as defined in section  
4 144.070, which is paid or charged on new and used motor vehicles, trailers, boats, and outboard  
5 motors purchased or acquired for use on the highways or waters of this state which are required  
6 to be registered under the laws of the state of Missouri.

7         2.] At the time the owner of any [such] motor vehicle, trailer, boat, or outboard motor  
8 makes application to the director of revenue for an official certificate of title and the registration  
9 of the same as otherwise provided by law, he shall present to the director of revenue evidence  
10 satisfactory to the director showing the purchase price paid by or charged to the applicant in the  
11 acquisition of the motor vehicle, trailer, boat, or outboard motor, or that the motor vehicle,  
12 trailer, boat, or outboard motor is not subject to the tax herein provided and, if the motor vehicle,  
13 trailer, boat, or outboard motor is subject to the tax herein provided, the applicant shall pay or  
14 cause to be paid to the director of revenue the tax provided herein.

15         [3.] 2. In the event that the purchase price is unknown or undisclosed, or that the  
16 evidence thereof is not satisfactory to the director of revenue, the same shall be fixed by  
17 appraisalment by the director.

18         [4.] 3. No certificate of title shall be issued for such motor vehicle, trailer, boat, or  
19 outboard motor unless the tax for the privilege of using the highways or waters of this state has  
20 been paid or the vehicle, trailer, boat, or outboard motor is registered under the provisions of  
21 subsection 5 of this section.

22         [5.] 4. The owner of any motor vehicle, trailer, boat, or outboard motor which is to be  
23 used exclusively for rental or lease purposes may pay the tax due thereon required in section

24 144.020 at the time of registration or in lieu thereof may pay a [use] sales tax as provided in  
25 sections 144.010, 144.020, 144.070 and 144.440. A [use] sales tax shall be charged and paid on  
26 the amount charged for each rental or lease agreement while the motor vehicle, trailer, boat, or  
27 outboard motor is domiciled in the state. If the owner elects to pay upon each rental or lease, he  
28 shall make an affidavit to that effect in such form as the director of revenue shall require and  
29 shall remit the tax due at such times as the director of revenue shall require.

30 [6.] 5. In the event that any leasing company which rents or leases motor vehicles,  
31 trailers, boats, or outboard motors elects to collect a [use] sales tax[,] all of its lease receipts  
32 would be subject to the [use] sales tax[,] regardless of whether or not the leasing company  
33 previously paid a sales tax when the vehicle, trailer, boat, or outboard motor was originally  
34 purchased.

35 [7.] 6. The provisions of this section, and the tax imposed by this section, shall not apply  
36 to manufactured homes.

144.450. In order to avoid double taxation under the provisions of sections 144.010 to  
2 144.510, any person who purchases a motor vehicle, trailer, manufactured home, boat, or  
3 outboard motor in any other state and seeks to register or obtain a certificate of title for it in this  
4 state shall be credited with the amount of any sales tax or use tax shown to have been previously  
5 paid by him on the purchase price of such motor vehicle, trailer, boat, or outboard motor in such  
6 other state. The tax imposed by **subdivision (9) of subsection 1 of section [144.440] 144.020**  
7 shall not apply:

8 (1) [To motor vehicles, trailers, boats, or outboard motors on account of which the sales  
9 tax provided by sections 144.010 to 144.510 shall have been paid;

10 (2) To motor vehicles, trailers, boats, or outboard motors brought into this state by a  
11 person moving any such vehicle, trailer, boat, or outboard motor into Missouri from another state  
12 who shall have registered and in good faith regularly operated any such motor vehicle, trailer,  
13 boat, or outboard motor in such other state at least ninety days prior to the time it is registered  
14 in this state;

15 [(3)] (2) To motor vehicles, trailers, boats, or outboard motors acquired by registered  
16 dealers for resale;

17 [(4)] (3) To motor vehicles, trailers, boats, or outboard motors purchased, owned or used  
18 by any religious, charitable or eleemosynary institution for use in the conduct of regular religious,  
19 charitable or eleemosynary functions and activities;

20 [(5)] (4) To motor vehicles owned and used by religious organizations in transferring  
21 pupils to and from schools supported by such organization;

22            [(6)] (5) Where the motor vehicle, trailer, boat, or outboard motor has been acquired by  
23 the applicant for a certificate of title therefor by gift or under a will or by inheritance, and the tax  
24 hereby imposed has been paid by the donor or decedent;

25            [(7)] (6) To any motor vehicle, trailer, boat, or outboard motor owned or used by the  
26 state of Missouri or any other political subdivision thereof, or by an educational institution  
27 supported by public funds; or

28            [(8)] (7) To farm tractors.

          144.455. The tax imposed by **subdivision (9) of subsection 1 of section [144.440]**  
2 **144.020** on motor vehicles and trailers is levied for the purpose of providing revenue to be used  
3 by this state to defray in whole or in part the cost of constructing, widening, reconstructing,  
4 maintaining, resurfacing and repairing the public highways, roads and streets of this state, and  
5 the cost and expenses incurred in the administration and enforcement of **subdivision (9) of**  
6 **subsection 1 of section 144.020 and** sections 144.440 to 144.455, and for no other purpose  
7 whatsoever, and all revenue collected or received by the director of revenue from the tax  
8 imposed by **subdivision (9) of subsection 1 of section [144.440] 144.020** on motor vehicles and  
9 trailers shall be promptly deposited [in the state treasury to the credit of the state highway  
10 department fund] **as dictated by article IV, section 30(b) of the Constitution of Missouri.**

          144.525. Notwithstanding any other provision of law, the amount of any state and local  
2 sales [or use] taxes due on the purchase of a motor vehicle, trailer, boat or outboard motor  
3 required to be registered under the provisions of sections 301.001 to 301.660 and sections  
4 306.010 to 306.900 shall be computed on the rate of such taxes in effect on the date the  
5 purchaser submits application for a certificate of ownership to the director of revenue; except  
6 that, in the case of a sale at retail, of an outboard motor by a retail business which is not required  
7 to be registered under the provisions of section 301.251, the amount of state and local [sales and  
8 use] taxes due shall be computed on the rate of such taxes in effect as of the calendar date of the  
9 retail sale.

          144.610. 1. A tax is imposed for the privilege of storing, using or consuming within this  
2 state any article of tangible personal property, **excluding motor vehicles, trailers, motorcycles,**  
3 **mopeds, motortricycles, boats, and outboard motors required to be titled under the laws**  
4 **of the state of Missouri and subject to tax under subdivision (9) of subsection 1 of section**  
5 **144.020**, purchased on or after the effective date of sections 144.600 to 144.745 in an amount  
6 equivalent to the percentage imposed on the sales price in the sales tax law in section 144.020.  
7 This tax does not apply with respect to the storage, use or consumption of any article of tangible  
8 personal property purchased, produced or manufactured outside this state until the transportation  
9 of the article has finally come to rest within this state or until the article has become commingled  
10 with the general mass of property of this state.

11           2. Every person storing, using or consuming in this state tangible personal property  
12 **subject to the tax in subsection 1 of this section** is liable for the tax imposed by this law, and  
13 the liability shall not be extinguished until the tax is paid to this state, but a receipt from a vendor  
14 authorized by the director of revenue under the rules and regulations that he prescribes to collect  
15 the tax, given to the purchaser in accordance with the provisions of section 144.650, relieves the  
16 purchaser from further liability for the tax to which receipt refers.

17           **3. Because this section no longer imposes a Missouri use tax on the storage, use, or**  
18 **consumption of motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats, and**  
19 **outboard motors required to be titled under the laws of the state of Missouri, in that the**  
20 **state sales tax is now imposed on the titling of such property, the local sales tax, rather than**  
21 **the local use tax, applies.**

          144.613. Notwithstanding the provisions of section 144.655, at the time the owner of any  
2 new or used boat or boat motor which was acquired after December 31, 1979, in a transaction  
3 subject to [use] tax under [the Missouri use tax law] **this chapter** makes application to the  
4 director of revenue for the registration of the boat or boat motor, he shall present to the director  
5 of revenue evidence satisfactory to the director of revenue showing the purchase price, exclusive  
6 of any charge incident to the extension of credit, paid by or charged to the applicant in the  
7 acquisition of the boat or boat motor, or that no sales or use tax was incurred in its acquisition,  
8 and, if [sales or use] tax was incurred in its acquisition, that the same has been paid, or the  
9 applicant shall pay or cause to be paid to the director of revenue the [use] tax provided by [the  
10 Missouri use tax law] **this chapter** in addition to the registration fees now or hereafter required  
11 according to law, and the director of revenue shall not issue a registration for any new or used  
12 boat or boat motor subject to [use] tax [as provided in the Missouri use tax law] **in this chapter**  
13 until the tax levied for the use of the same under [sections 144.600 to 144.748] **this chapter** has  
14 been paid.

          144.615. There are specifically exempted from the taxes levied in sections 144.600 to  
2 144.745:

3           (1) Property, the storage, use or consumption of which this state is prohibited from  
4 taxing pursuant to the constitution or laws of the United States or of this state;

5           (2) Property, the gross receipts from the sale of which are required to be included in the  
6 measure of the tax imposed pursuant to the Missouri sales tax law;

7           (3) Tangible personal property, the sale or other transfer of which, if made in this state,  
8 would be exempt from or not subject to the Missouri sales tax pursuant to the provisions of  
9 subsection 2 of section 144.030;

10           (4) Motor vehicles, trailers, boats, and outboard motors subject to the tax imposed by  
11 section [144.440] **144.020**;

12 (5) Tangible personal property which has been subjected to a tax by any other state in  
13 this respect to its sales or use; provided, if such tax is less than the tax imposed by sections  
14 144.600 to 144.745, such property, if otherwise taxable, shall be subject to a tax equal to the  
15 difference between such tax and the tax imposed by sections 144.600 to 144.745;

16 (6) Tangible personal property held by processors, retailers, importers, manufacturers,  
17 wholesalers, or jobbers solely for resale in the regular course of business;

18 (7) Personal and household effects and farm machinery used while an individual was a  
19 bona fide resident of another state and who thereafter became a resident of this state, or tangible  
20 personal property brought into the state by a nonresident for his own storage, use or consumption  
21 while temporarily within the state.

**620.2000. Sections 620.2000 to 620.2020 shall be known and may be cited as the**  
2 **"Missouri Works Program".**

**620.2005. As used in sections 620.2000 to 620.2020, the following terms mean:**

2 (1) "Average wage", the new payroll divided by the number of new jobs, or the  
3 payroll of the retained jobs divided by the number of retained jobs;

4 (2) "Commencement of operations", the starting date for the qualified company's  
5 first new employee, which shall be no later than twelve months from the date of the  
6 approval;

7 (3) "County average wage", the average wages in each county as determined by the  
8 department for the most recently completed full calendar year. However, if the computed  
9 county average wage is above the statewide average wage, the statewide average wage shall  
10 be deemed the county average wage for such county for the purpose of determining  
11 eligibility. The department shall publish the county average wage for each county at least  
12 annually. Notwithstanding the provisions of this subdivision to the contrary, for any  
13 qualified company that in conjunction with their project is relocating employees from a  
14 Missouri county with a higher county average wage, the company shall obtain the  
15 endorsement of the governing body of the community from which jobs are being relocated  
16 or the county average wage for their project shall be the county average wage for the  
17 county from which the employees are being relocated;

18 (4) "Department", the Missouri department of economic development;

19 (5) "Director", the director of the department of economic development;

20 (6) "Employee", a person employed by a qualified company, excluding:

21 (a) Owners of the qualified company unless the qualified company is participating  
22 in an employee stock ownership plan; or

23 (b) Owners of a non-controlling interest in stock of a qualified company that is  
24 publically traded;

25           (7) "Existing Missouri business", a qualified company that, for the ten-year period  
26 preceding submission of a notice of intent to the department, had a physical location in  
27 Missouri and full-time employees who routinely perform job duties within Missouri;

28           (8) "Full-time employee", an employee of the qualified company that is scheduled  
29 to work an average of at least thirty-five hours per week for a twelve-month period, and  
30 one for which the qualified company offers health insurance and pays at least fifty percent  
31 of such insurance premiums. An employee that spends less than fifty percent of the  
32 employee's work time at the facility shall be considered to be located at a facility if the  
33 employee receives his or her directions and control from that facility, is on the facility's  
34 payroll, one hundred percent of the employee's income from such employment is Missouri  
35 income, and the employee is paid at or above the applicable percentage of the county  
36 average wage;

37           (9) "Local incentives", the present value of the dollar amount of direct benefit  
38 received by a qualified company for a project facility from one or more local political  
39 subdivisions, but this term shall not include loans or other funds provided to the qualified  
40 company that shall be repaid by the qualified company to the political subdivision;

41           (10) "NAICS" or "NAICS industry classification", the classification provided by  
42 the most recent edition of the North American Industry Classification System as prepared  
43 by the Executive Office of the President, Office of Management and Budget;

44           (11) "New capital investment", shall include costs incurred by the qualified  
45 company at the project facility after acceptance by the qualified company of the proposal  
46 for benefits from the department or the approval notice of intent, whichever occurs first,  
47 for real or personal property, and may include the value of finance or capital leases for real  
48 or personal property for the term of such lease at the project facility executed after  
49 acceptance by the qualified company of the proposal for benefits from the department or  
50 the approval of the notice of intent;

51           (12) "New direct local revenue", the present value of the dollar amount of direct  
52 net new tax revenues of the local political subdivisions likely to be produced by the project  
53 over a ten-year period as calculated by the department, excluding local earnings tax, and  
54 net new utility revenues, provided the local incentives include a discount or other direct  
55 incentives from utilities owned or operated by the political subdivision;

56           (13) "New job", the number of full-time employees located at the project facility  
57 that exceeds the project facility base employment less any decrease in the number of full-  
58 time employees at related facilities below the related facility base employment. No job that  
59 was created prior to the date of the notice of intent shall be deemed a new job;

60           (14) "New payroll", the amount of wages paid for all new jobs, located at the  
61 project facility during the qualified company's tax year that exceeds the project facility  
62 base payroll;

63           (15) "Notice of intent", a form developed by the department and available online,  
64 completed by the qualified company, and submitted to the department stating the qualified  
65 company's intent to request benefits under this program;

66           (16) "Percent of local incentives", the amount of local incentives divided by the  
67 amount of new direct local revenue;

68           (17) "Program", the Missouri works program established in sections 620.2000 to  
69 620.2020;

70           (18) "Project facility", the building or buildings used by a qualified company at  
71 which new or retained jobs and any new capital investment are or will be located. A  
72 project facility may include separate buildings located within sixty miles of each other such  
73 that their purpose and operations are interrelated; provided that where the buildings  
74 making up the project facility are not located within the same county, the average wage of  
75 the new payroll shall exceed the applicable percentage of the highest county average wage  
76 among the counties in which the buildings are located. Upon approval by the department,  
77 a subsequent project facility may be designated if the qualified company demonstrates a  
78 need to relocate to the subsequent project facility at any time during the project period;

79           (19) "Project facility base employment", the greater of the number of full-time  
80 employees located at the project facility on the date of the notice of intent or, for the twelve-  
81 month period prior to the date of the notice of intent, the average number of full-time  
82 employees located at the project facility. In the event the project facility has not been in  
83 operation for a full twelve-month period, the average number of full-time employees for  
84 the number of months the project facility has been in operation prior to the date of the  
85 notice of intent;

86           (20) "Project facility base payroll", the annualized payroll for the project facility  
87 base employment or the total amount of wages paid by the qualified company to full-time  
88 employees of the qualified company located at the project facility in the twelve months  
89 prior to the notice of intent. For purposes of calculating the benefits under this program,  
90 the amount of base payroll shall increase each year based on an appropriate measure, as  
91 determined by the department;

92           (21) "Project period", the time period within which benefits are awarded to a  
93 qualified company or within which the qualified company is obligated to perform under  
94 an agreement with the department, whichever is greater;

95           (22) "Projected net fiscal benefit", the total fiscal benefit to the state less any state  
96 benefits offered to the qualified company, as determined by the department;

97           (23) "Qualified company", a firm, partnership, joint venture, association, private  
98 or public corporation whether organized for profit or not, or headquarters of such entity  
99 registered to do business in Missouri that is the owner or operator of a project facility,  
100 certifies that it offers health insurance to all full-time employees of all facilities located in  
101 this state, and certifies that it pays at least fifty percent of such insurance premiums. For  
102 the purposes of sections 620.2000 to 620.2020, the term "qualified company" shall not  
103 include:

104           (a) Gambling establishments (NAICS industry group 7132);

105           (b) Store front consumer-based retail trade establishments (under NAICS sectors  
106 44 and 45), except with respect to any company headquartered in this state with a majority  
107 of its full-time employees engaged in operations not within the NAICS codes specified in  
108 this subdivision;

109           (c) Food and drinking places (NAICS subsector 722);

110           (d) Public utilities (NAICS 221 including water and sewer services);

111           (e) Any company that is delinquent in the payment of any nonprotested taxes or  
112 any other amounts due the state or federal government or any other political subdivision  
113 of this state;

114           (f) Any company requesting benefits for retained jobs that has filed for or has  
115 publicly announced its intention to file for bankruptcy protection. However, a company  
116 that has filed for or has publicly announced its intention to file for bankruptcy, may be a  
117 qualified company provided that such company:

118           a. Certifies to the department that it plans to reorganize and not to liquidate; and

119           b. After its bankruptcy petition has been filed, it produces proof, in a form and at  
120 times satisfactory to the department, that it is not delinquent in filing any tax returns or  
121 making any payment due to the state of Missouri, including but not limited to all tax  
122 payments due after the filing of the bankruptcy petition and under the terms of the plan  
123 of reorganization.

124

125 Any taxpayer who is awarded benefits under this subsection and who files for bankruptcy  
126 under Chapter 7 of the United States Bankruptcy Code, Title 11 U.S.C., shall immediately  
127 notify the department and shall forfeit such benefits and shall repay the state an amount  
128 equal to any state tax credits already redeemed and any withholding taxes already  
129 retained;

130           (g) Educational services (NAICS sector 61);

- 131           **(h) Religious organizations (NAICS industry group 8131);**  
132           **(i) Public administration (NAICS sector 92);**  
133           **(j) Ethanol distillation or production;**  
134           **(k) Biodiesel production; or**  
135           **(l) Healthcare and social services (NAICS sector 62).**

136

137 **Notwithstanding any provision of this section to the contrary, the headquarters,**  
138 **administrative offices, or research and development facilities of an otherwise excluded**  
139 **business may qualify for benefits if the offices or facilities serve a multistate territory. In**  
140 **the event a national, state, or regional headquarters operation is not the predominant**  
141 **activity of a project facility, the jobs and investment of such operation shall be considered**  
142 **eligible for benefits under this section if the other requirements are satisfied;**

143           **(24) "Related company", shall mean:**

144           **(a) A corporation, partnership, trust, or association controlled by the qualified**  
145 **company;**

146           **(b) An individual, corporation, partnership, trust, or association in control of the**  
147 **qualified company; or**

148           **(c) Corporations, partnerships, trusts or associations controlled by an individual,**  
149 **corporation, partnership, trust, or association in control of the qualified company. As used**  
150 **in this paragraph, "control of a qualified company" shall mean:**

151           **a. Ownership, directly or indirectly, of stock possessing at least fifty percent of the**  
152 **total combined voting power of all classes of stock entitled to vote in the case of a qualified**  
153 **company that is a corporation;**

154           **b. Ownership of at least fifty percent of the capital or profits interest in such**  
155 **qualified company if it is a partnership or association;**

156           **c. Ownership, directly or indirectly, of at least fifty percent of the beneficial interest**  
157 **in the principal or income of such qualified company if it is a trust, and ownership shall**  
158 **be determined as provided in Section 318 of the Internal Revenue Code of 1986, as**  
159 **amended;**

160           **(25) "Related facility", a facility operated by the qualified company or a related**  
161 **company located in this state that is directly related to the operations of the project facility**  
162 **or in which operations substantially similar to the operations of the project facility are**  
163 **performed;**

164           **(26) "Related facility base employment", the greater of the number of full-time**  
165 **employees located at all related facilities on the date of the notice of intent or, for the**  
166 **twelve-month period prior to the date of the notice of intent, the average number of full-**

167 time employees located at all related facilities of the qualified company or a related  
168 company located in this state;

169 (27) "Related facility base payroll", the annualized payroll of the related facility  
170 base payroll or the total amount of taxable wages paid by the qualified company to full-  
171 time employees of the qualified company located at a related facility in the twelve months  
172 prior to the filing of the notice of intent. For purposes of calculating the benefits under this  
173 program, the amount of related facility base payroll shall increase each year based on an  
174 appropriate measure, as determined by the department;

175 (28) "Rural area", a county in Missouri with a population less than seventy-five  
176 thousand or that does not contain an individual city with a population greater than fifty  
177 thousand according to the most recent federal decennial census;

178 (29) "Tax credits", tax credits issued by the department to offset the state taxes  
179 imposed by chapters 143 and 148, or which may be sold or refunded as provided for in this  
180 program;

181 (30) "Withholding tax", the state tax imposed by sections 143.191 to 143.265. For  
182 purposes of this program, the withholding tax shall be computed using a schedule as  
183 determined by the department based on average wages; and

184 (31) This section is subject to the provisions of section 196.1127.

620.2010. 1. In exchange for the consideration provided by the new tax revenues  
2 and other economic stimuli that will be generated by the new jobs created, a qualified  
3 company may, for a period of five years from the date the new jobs are created, or for a  
4 period of six years from the date the new jobs are created if the qualified company is an  
5 existing Missouri business, retain an amount equal to the withholding tax as calculated  
6 under subdivision (30) of section 620.2005 from the new jobs that would otherwise be  
7 withheld and remitted by the qualified company under the provisions of sections 143.191  
8 to 143.265 if:

9 (1) The qualified company creates ten or more new jobs, and the average wage of  
10 the new payroll equals or exceeds ninety percent of the county average wage;

11 (2) The qualified company creates two or more new jobs at a project facility located  
12 in a rural area, the average wage of the new payroll equals or exceeds ninety percent of the  
13 county average wage, and the qualified company commits to making at least one hundred  
14 thousand dollars of new capital investment at the project facility within two years; or

15 (3) The qualified company creates two or more new jobs at a project facility located  
16 within a zone designated under sections 135.950 to 135.963, the average wage of the new  
17 payroll equals or exceeds eighty percent of the county average wage, and the qualified

18 company commits to making at least one hundred thousand dollars in new capital  
19 investment at the project facility within two years of approval;

20       2. In addition to any benefits available under subsection 1 of this section, the  
21 department may award a qualified company that satisfies subdivision (1) of subsection 1  
22 of this section additional tax credits, issued each year for a period of five years from the  
23 date the new jobs are created, or for a period of six years from the date the new jobs are  
24 created if the qualified company is an existing Missouri business, in an amount equal to or  
25 less than six percent of new payroll; provided that in no event may the total amount of  
26 benefits awarded to a qualified company under this section exceed nine percent of new  
27 payroll in any calendar year. The amount of tax credits awarded to a qualified company  
28 under this subsection shall not exceed the projected net fiscal benefit to the state, as  
29 determined by the department, and shall not exceed the least amount necessary to obtain  
30 the qualified company's commitment to initiate the project. In determining the amount of  
31 tax credits to award to a qualified company under this subsection, the department shall  
32 consider the following factors:

33       (1) The significance of the qualified company's need for program benefits;

34       (2) The amount of projected net fiscal benefit to the state of the project and the  
35 period in which the state would realize such net fiscal benefit;

36       (3) The overall size and quality of the proposed project, including the number of  
37 new jobs, new capital investment, proposed wages, growth potential of the qualified  
38 company, the potential multiplier effect of the project, and similar factors;

39       (4) The financial stability and creditworthiness of the qualified company;

40       (5) The level of economic distress in the area;

41       (6) An evaluation of the competitiveness of alternative locations for the project  
42 facility, as applicable; and

43       (7) The percent of local incentives committed;

44       3. Upon approval of a notice of intent to receive tax credits under subsections 2 and  
45 5 of this section, the department and the qualified company shall enter into a written  
46 agreement covering the applicable project period. The agreement shall specify, at a  
47 minimum:

48       (1) The committed number of new jobs, new payroll, and new capital investment  
49 for each year during the project period;

50       (2) The date or time period during which the tax credits shall be issued, which may  
51 be immediately or over a period not to exceed two years from the date of approval of the  
52 notice of intent;

53       (3) Clawback provisions, as may be required by the department; and

54 (4) Any other provisions the department may require.

55 4. In lieu of the benefits available under sections 1 and 2 of this section, and in  
56 exchange for the consideration provided by the new tax revenues and other economic  
57 stimuli that will be generated by the new jobs created by the program, a qualified company  
58 may, for a period of five years from the date the new jobs are created, or for a period of  
59 six years from the date the new jobs are created if the qualified company is an existing  
60 Missouri business, retain an amount equal to the withholding tax as calculated under  
61 subdivision (30) of section 620.2005 from the new jobs that would otherwise be withheld  
62 and remitted by the qualified company under the provisions of sections 143.191 to 143.265  
63 equal to:

64 (1) Six percent of new payroll for a period of five years from the date the required  
65 number of new jobs were created if the qualified company creates one hundred or more  
66 new jobs and the average wage of the new payroll equals or exceeds one hundred twenty  
67 percent of the county average wage of the county in which the project facility is located;  
68 or

69 (2) Seven percent of new payroll for a period of five years from the date the  
70 required number of jobs were created if the qualified company creates one hundred or  
71 more new jobs and the average wage of the new payroll equals or exceeds one hundred  
72 forty percent of the county average wage of the county in which the project facility is  
73 located.

74

75 The department shall issue a refundable tax credit for any difference between the amount  
76 of benefit allowed under this subsection and the amount of withholding tax retained by the  
77 company, in the event the withholding tax is not sufficient to provide the entire amount of  
78 benefit due to the qualified company under this subsection.

79 5. In addition to the benefits available under subsections 4 of this section, the  
80 department may award a qualified company that satisfies the provisions of subsection 4  
81 of this section additional tax credits, issued each year for a period of five years from the  
82 date the new jobs are created, or for a period of six years from the date the new jobs are  
83 created if the qualified company is an existing Missouri business, in an amount equal to or  
84 less than three percent of new payroll; provided that in no event may the total amount of  
85 benefits awarded to a qualified company under this section exceed nine percent of new  
86 payroll in any calendar year. The amount of tax credits awarded to a qualified company  
87 under this subsection shall not exceed the projected net fiscal benefit to the state, as  
88 determined by the department, and shall not exceed the least amount necessary to obtain  
89 the qualified company's commitment to initiate the project. In determining the amount of

90 tax credits to award to a qualified company under this subsection, the department shall  
91 consider the factors provided under subsection 2 of this section.

92 **6. No benefits shall be available under this section for any qualified company that**  
93 **has performed significant, project-specific site work at the project facility, purchased**  
94 **machinery or equipment related to the project, or has publicly announced its intention to**  
95 **make new capital investment at the project facility prior to receipt of a proposal for**  
96 **benefits under this section or approval of its notice of intent, whichever occurs first.**

**620.2015. 1. In exchange for the consideration provided by the tax revenues and**  
2 **other economic stimuli that will be generated by the retention of jobs and the making of**  
3 **new capital investment in this state, a qualified company may be eligible to receive the**  
4 **benefits described in this section if the department determines that there is a significant**  
5 **probability that the qualified company would relocate to another state in the absence of**  
6 **the benefits authorized under this section. In no event shall the total amount of benefits**  
7 **available to all qualified companies under this section exceed six million dollars in any**  
8 **fiscal year.**

9 **2. A qualified company meeting the requirements of this section may be authorized**  
10 **to retain an amount not to exceed one hundred percent of the withholding tax from full-**  
11 **time jobs that would otherwise be withheld and remitted by the qualified company under**  
12 **the provisions of sections 143.191 to 143.265, for a period of ten years if the average wage**  
13 **of the retained jobs equals or exceeds ninety percent of the county average wage. In order**  
14 **to receive benefits under this section, a qualified company shall enter into written**  
15 **agreement with the department containing detailed performance requirements and**  
16 **repayment penalties in event of nonperformance. The amount of benefits awarded to a**  
17 **qualified company under this section shall not exceed the projected net fiscal benefit and**  
18 **shall not exceed the least amount necessary to obtain the qualified company's commitment**  
19 **to retain the necessary number of jobs and make the required new capital investment.**

20 **3. In order to be eligible to receive benefits under this section, the qualified**  
21 **company shall meet each of the following conditions:**

22 **(1) The qualified company shall agree to retain, for a period of ten years from the**  
23 **date of approval of the notice of intent, at least fifty retained jobs; and**

24 **(2) The qualified company shall agree to make a new capital investment at the**  
25 **project facility within three years of the approval in an amount equal to one-half the total**  
26 **benefits, available under this section, which are offered to the qualified company by the**  
27 **department.**

28 **4. In awarding benefits under this section, the department shall consider the factors**  
29 **set forth in subsection 2 of section 620.2010.**

30           **5. Upon approval of a notice of intent to request benefits under this section, the**  
31 **department and the qualified company shall enter into a written agreement covering the**  
32 **applicable project period. The agreement shall specify, at a minimum:**

33           **(1) The committed number of retained jobs, payroll, and new capital investment**  
34 **for each year during the project period;**

35           **(2) Clawback provisions, as may be required by the department; and**

36           **(3) Any other provisions the department may require.**

**620.2020. 1. The department shall respond to a written request, by or on behalf of**  
2 **a qualified company, for a proposed benefit award under the provisions of this program**  
3 **within five business days of receipt of such request. Such response shall contain either a**  
4 **proposal of benefits for the qualified company, or a written response refusing to provide**  
5 **such a proposal and stating the reasons for such refusal. A qualified company that intends**  
6 **to seek benefits under the program shall submit to the department a notice of intent. The**  
7 **department shall respond within thirty days to a notice of intent with an approval or a**  
8 **rejection, provided that the department may withhold approval or provide a contingent**  
9 **approval until it is satisfied that proper documentation of eligibility has been provided.**  
10 **Failure to respond on behalf of the department shall result in the notice of intent being**  
11 **deemed approved. A qualified company receiving approval for program benefits may**  
12 **receive additional benefits for subsequent new jobs at the same facility after the full initial**  
13 **project period if the applicable minimum job requirements are met. There shall be no**  
14 **limit on the number of project periods a qualified company may participate in the**  
15 **program, and a qualified company may elect to file a notice of intent to begin a new project**  
16 **period concurrent with an existing project period if the applicable minimum job**  
17 **requirements are achieved, the qualified company provides the department with the**  
18 **required annual reporting, and the qualified company is in compliance with this program**  
19 **and any other state programs in which the qualified company is currently or has**  
20 **previously participated. However, the qualified company shall not receive any further**  
21 **program benefits under the original approval for any new jobs created after the date of the**  
22 **new notice of intent, and any jobs created before the new notice of intent shall not be**  
23 **included as new jobs for purposes of the benefit calculation for the new approval. When**  
24 **a qualified company has filed and received approval of a notice of intent and subsequently**  
25 **files another notice of intent, the department shall apply the definition of project facility**  
26 **under subdivision (18) of section 620.2005 to the new notice of intent as well as all**  
27 **previously approved notices of intent and shall determine the application of the definitions**  
28 **of new job, new payroll, project facility base employment, and project facility base payroll**  
29 **accordingly.**

30           **2. Notwithstanding any provision of law to the contrary, the benefits available to**  
31 **the qualified company under any other state programs for which the company is eligible**  
32 **and which utilize withholding tax from the new or retained jobs of the company shall first**  
33 **be credited to the other state program before the withholding retention level applicable**  
34 **under this program will begin to accrue. If any qualified company also participates in a**  
35 **job training program utilizing withholding tax, the company shall retain no withholding**  
36 **tax under this program, but the department shall issue a refundable tax credit for the full**  
37 **amount of benefit allowed under this program. The calendar year annual maximum**  
38 **amount of tax credits which may be issued to a qualifying company that also participates**  
39 **in a job training program shall be increased by an amount equivalent to the withholding**  
40 **tax retained by that company under a jobs training program.**

41           **3. A qualified company receiving benefits under this program shall provide an**  
42 **annual report of the number of jobs and such other information as may be required by the**  
43 **department to document the basis for program benefits available no later than 90 days**  
44 **prior to the end of the qualified company's tax year immediately following the tax year for**  
45 **which the benefits provided under the program are attributed. In such annual report, if**  
46 **the average wage is below the applicable percentage of the county average wage, the**  
47 **qualified company has not maintained the employee insurance as required, or if the**  
48 **number of jobs is below the number required, the qualified company shall not receive tax**  
49 **credits or retain the withholding tax for the balance of the project period. Failure to timely**  
50 **file the annual report required under this section shall result in the forfeiture of tax credits**  
51 **attributable to the year for which the reporting was required and a recapture of**  
52 **withholding taxes retained by the qualified company during such year.**

53           **4. The department may withhold the approval of any benefits under this program**  
54 **until it is satisfied that proper documentation has been provided, and shall reduce the**  
55 **benefits to reflect any reduction in full-time employees or payroll. Upon approval by the**  
56 **department, the qualified company may begin the retention of the withholding taxes when**  
57 **it reaches the required number of jobs and the average wage meets or exceeds the**  
58 **applicable percentage of county average wage. Tax credits, if any, may be issued upon**  
59 **satisfaction by the department that the qualified company has exceeded the applicable**  
60 **percentage of county average wage and the required number of jobs.**

61           **5. Any qualified company approved for benefits under this program shall provide**  
62 **to the department, upon request, any and all information and records reasonably required**  
63 **to monitor compliance with program requirements. This program shall be considered a**  
64 **business recruitment tax credit under subdivision (4) of subsection 2 of section 135.800,**

65 and any qualified company approved for benefits under this program shall be subject to  
66 the provisions of section 135.800 to 135.830.

67         **6. Any taxpayer who is awarded benefits under this program who knowingly hires**  
68 **individuals who are not allowed to work legally in the United States shall immediately**  
69 **forfeit such benefits and shall repay the state an amount equal to any state tax credits**  
70 **already redeemed and any withholding taxes already retained.**

71         **7. The maximum amount of tax credits that may be authorized under this program**  
72 **for any fiscal year shall be limited as follows, less the amount of any tax credits previously**  
73 **obligated for that fiscal year under any of the tax credit programs referenced in subsection**  
74 **13 of this section:**

75             **(1) For the fiscal year beginning on July 1, 2013, but ending on or before June 30,**  
76 **2014, no more than one hundred and six million dollars in tax credits may be authorized;**

77             **(2) For the fiscal year beginning on July 1, 2014, but ending on or before June 30,**  
78 **2015, no more than one hundred and eleven million dollars in tax credits may be**  
79 **authorized; and**

80             **(3) For any fiscal year beginning on or after July 1, 2015, no more than one**  
81 **hundred and sixteen million dollars in tax credits may be authorized for each fiscal year.**

82         **8. For tax credits for the creation of new jobs under section 620.2010, the**  
83 **department shall allocate the annual tax credits based on the date of the approval,**  
84 **reserving such tax credits based on the department's best estimate of new jobs and new**  
85 **payroll of the project, and any other applicable factors in determining the amount of**  
86 **benefits available to the qualified company under this program. However, the annual**  
87 **issuance of tax credits shall be subject to annual verification of actual payroll by the**  
88 **department. Any authorization of tax credits shall expire if, within two years from the date**  
89 **of commencement of operations, or approval if applicable, the qualified company has failed**  
90 **to meet the applicable minimum job requirements. The qualified company may retain**  
91 **authorized amounts from the withholding tax under the project once the applicable**  
92 **minimum job requirements have been met for the duration of the project period. No**  
93 **benefits shall be provided under this program until the qualified company meets the**  
94 **applicable minimum new job requirements. In the event the qualified company does not**  
95 **meet the applicable minimum new job requirements, the qualified company may submit**  
96 **a new notice of intent or the department may provide a new approval for a new project of**  
97 **the qualified company at the project facility or other facilities.**

98         **9. Tax credits provided under this program may be claimed against taxes otherwise**  
99 **imposed by chapters 143 and 148, and may not be carried forward, but shall be claimed**  
100 **within one year of the close of the taxable year for which they were issued. Tax credits**

101 provided under this program may be transferred, sold, or assigned by filing a notarized  
102 endorsement thereof with the department that names the transferee, the amount of tax  
103 credit transferred, and the value received for the credit, as well as any other information  
104 reasonably requested by the department. For a qualified company with flow-through tax  
105 treatment to its members, partners, or shareholders, the tax credit shall be allowed to  
106 members, partners, or shareholders in proportion to their share of ownership on the last  
107 day of the qualified company's tax period.

108 **10. Prior to the issuance of tax credits or the qualified company beginning to retain**  
109 **withholding taxes, the department shall verify through the department of revenue and any**  
110 **other applicable state department, that the tax credit applicant does not owe any**  
111 **delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent**  
112 **fees or assessments levied by any state department and through the department of**  
113 **insurance, financial institutions and professional registration that the applicant does not**  
114 **owe any delinquent insurance taxes or other fees. Such delinquency shall not affect the**  
115 **approval, except that any tax credits issued shall be first applied to the delinquency and**  
116 **any amount issued shall be reduced by the applicant's tax delinquency. If the department**  
117 **of revenue, the department of insurance, financial institutions and professional**  
118 **registration, or any other state department concludes that a taxpayer is delinquent after**  
119 **June fifteenth but before July first of any year and the application of tax credits to such**  
120 **delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer**  
121 **shall be granted thirty days to satisfy the deficiency in which interest, penalties, and**  
122 **additions to tax shall be tolled. After applying all available credits toward a tax**  
123 **delinquency, the administering agency shall notify the appropriate department and that**  
124 **department shall update the amount of outstanding delinquent tax owed by the applicant.**  
125 **If any credits remain after satisfying all insurance, income, sales, and use tax**  
126 **delinquencies, the remaining credits shall be issued to the applicant, subject to the**  
127 **restrictions of other provisions of law.**

128 **11. The director of revenue shall issue a refund to the qualified company to the**  
129 **extent that the amount of tax credits allowed under this program exceeds the amount of**  
130 **the qualified company's tax liability under chapter 143 or 148.**

131 **12. An employee of a qualified company shall receive full credit for the amount of**  
132 **tax withheld as provided in section 143.211.**

133 **13. Notwithstanding any provision of law to the contrary, beginning August 28,**  
134 **2013, no new benefits shall be authorized for any project that had not received from the**  
135 **department a proposal or approval for such benefits prior to August 28, 2013, under the**  
136 **development tax credit program created under sections 32.100 to 32.125, the rebuilding**

137 communities tax credit program created under section 135.535, the enhanced enterprise  
138 zone tax credit program created under sections 135.950 to 135.973, and the Missouri  
139 quality jobs program created under sections 620.1875 to 620.1890. The provisions of this  
140 subsection shall not be construed to limit or impair the ability of any administering agency  
141 to authorize or issue benefits for any project that had received an approval or a proposal  
142 from the department under any of the programs referenced in this subsection prior to  
143 August 28, 2013, or the ability of any taxpayer to redeem any such tax credits or to retain  
144 any withholding tax under an approval issued prior to that date. The provisions of this  
145 subsection shall not be construed to limit or in any way impair the ability of any governing  
146 authority to provide any local abatement or designate a new zone under the enhanced  
147 enterprise zone program created by sections 135.950 to 135.963. Notwithstanding any  
148 provision of law to the contrary, no qualified company that is awarded benefits under this  
149 program shall:

150 (1) Simultaneously receive benefits under the programs referenced in this  
151 subsection at the same capital investment; or

152 (2) Receive benefits under the provisions of section 620.1910 for the same jobs.

153 14. If any provision of sections 620.2000 to 620.2020 or application thereof to any  
154 person or circumstance is held invalid, the invalidity shall not affect other provisions or  
155 application of these sections which can be given effect without the invalid provisions or  
156 application, and to this end, the provisions of sections 620.2000 to 620.2020 are hereby  
157 declared severable.

158 15. By no later than January 1, 2014, and the first day of each calendar quarter  
159 thereafter, the department shall present a quarterly report to the general assembly  
160 detailing the benefits authorized under this program during the immediately preceding  
161 calendar quarter to the extent such information may be disclosed under state and federal  
162 law. The report shall include, at a minimum:

163 (1) A list of all approved and disapproved applicants for each tax credit;

164 (2) A list of the aggregate amount of new or retained jobs that are directly  
165 attributable to the tax credits authorized;

166 (3) A statement of the aggregate amount of new capital investment directly  
167 attributable to the tax credits authorized;

168 (4) Documentation of the estimated net state fiscal benefit for each authorized  
169 project and, to the extent available, the actual benefit realized upon completion of such  
170 project or activity; and

171 (5) The department's response time for each request for a proposed benefit award  
172 under this program.

173           **16. The department may adopt such rules, statements of policy, procedures, forms,**  
174 **and guidelines as may be necessary to carry out the provisions of sections 620.2000 to**  
175 **620.2020. Any rule or portion of a rule, as that term is defined in section 536.010, that is**  
176 **created under the authority delegated in this section shall become effective only if it**  
177 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**  
178 **section 536.028. This section and chapter 536 are nonseverable and if any of the powers**  
179 **vested with the general assembly pursuant to chapter 536 to review, to delay the effective**  
180 **date, or to disapprove and annul a rule are subsequently held unconstitutional, then the**  
181 **grant of rulemaking authority and any rule proposed or adopted after August 28, 2013,**  
182 **shall be invalid and void.**

183           **17. Under section 23.253 of the Missouri sunset act:**

184           **(1) The provisions of the new program authorized under sections 620.2000 to**  
185 **620.2020 shall automatically sunset six years after the effective date of this section unless**  
186 **reauthorized by an act of the general assembly; and**

187           **(2) If such program is reauthorized, the program authorized under this section**  
188 **shall automatically sunset twelve years after the effective date of this reauthorization of**  
189 **sections 620.2000 to 620.2020; and**

190           **(3) Sections 620.2000 to 620.2020 shall terminate on September first of the calendar**  
191 **year immediately following the calendar year in which the program authorized under**  
192 **sections 620.2000 to 620.2020 is sunset.**

**Section 1. Notwithstanding the provisions of section 1.140 to the contrary, the**  
2 **provisions of sections 32.087, 144.020, 144.021, 144.069, 144.071, 144.440, 144.450, 144.455,**  
3 **144.525, 144.610, 144.613, and 144.615, as amended by this act, shall be nonseverable, and**  
4 **if any provision is for any reason held to be invalid, such decision shall invalidate all of the**  
5 **remaining provisions of section 32.087, 144.020, 144.021, 144.069, 144.071, 144.440,**  
6 **144.450, 144.455, 144.525, 144.610, 144.613, and 144.615, as amended by this act.**

✓

---

Speaker of the House

---

President Pro Tem of the Senate

---

Governor