

HB 827 -- FOOD PROCESSING SALES TAX EXEMPTION

SPONSOR: Redmon

COMMITTEE ACTION: Voted "Do Pass" by the Committee on Economic Development by a vote of 17 to 5.

This bill authorizes a sales and use tax exemption for electrical energy and gas, whether natural, artificial, or propane, water, coal, and energy sources, chemicals, machinery, equipment, supplies, parts, and materials used or consumed in testing, installing, calibrating, maintaining, repairing, or restoring any machinery or equipment that is exempted from sales and use taxes under Section 144.054, RSMo, and authorizes a sales and use tax exemption for electrical energy and gas, whether natural, artificial, or propane, water, coal, and energy sources, chemicals, machinery, equipment, supplies, parts, and materials used or consumed in the manufacturing, processing, preparing, furnishing, compounding, or producing of food or used in research and development related to manufacturing, processing, preparing, furnishing, compounding, or producing food.

PROPOSERS: Supporters say that the bill removes a double taxation on the processing of food and corrects a court interpretation that is not covered under current law.

Testifying for the bill were Representative Redmon; Doug Beech; Missouri Retailers Association; Missouri Grocers' Association; and Associated Industries of Missouri.

OPPOSERS: There was no opposition voiced to the committee.