

SECOND REGULAR SESSION

# HOUSE BILL NO. 1633

## 101ST GENERAL ASSEMBLY

---

INTRODUCED BY REPRESENTATIVE MORSE.

3848H.011

DANA RADEMAN MILLER, Chief Clerk

---

### AN ACT

To repeal section 105.145, RSMo, and to enact in lieu thereof one new section relating to political subdivisions, with a penalty provision.

---

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

Section A. Section 105.145, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 105.145, to read as follows:

105.145. 1. The following definitions shall be applied to the terms used in this section:

(1) "Governing body", the board, body, or persons in which the powers of a political subdivision as a body corporate, or otherwise, are vested;

(2) "Political subdivision", any agency or unit of this state, except counties and school districts, which now is, or hereafter shall be, authorized to levy taxes or empowered to cause taxes to be levied.

2. The governing body of each political subdivision in the state shall cause to be prepared an annual report of the financial transactions of the political subdivision in such summary form as the state auditor shall prescribe by rule, except that the annual report of political subdivisions whose cash receipts for the reporting period are ten thousand dollars or less shall only be required to contain the cash balance at the beginning of the reporting period, a summary of cash receipts, a summary of cash disbursements and the cash balance at the end of the reporting period.

3. Within such time following the end of the fiscal year as the state auditor shall prescribe by rule, the governing body of each political subdivision shall cause a copy of the annual financial report to be remitted to the state auditor.

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

18           4. The state auditor shall immediately on receipt of each financial report acknowledge  
19 the receipt of the report.

20           5. In any fiscal year no member of the governing body of any political subdivision of  
21 the state shall receive any compensation or payment of expenses after the end of the time  
22 within which the financial statement of the political subdivision is required to be filed with  
23 the state auditor and until such time as the notice from the state auditor of the filing of the  
24 annual financial report for the fiscal year has been received.

25           6. The state auditor shall prepare sample forms for financial reports and shall mail the  
26 same to the political subdivisions of the state. Failure of the auditor to supply such forms  
27 shall not in any way excuse any person from the performance of any duty imposed by this  
28 section.

29           7. All reports or financial statements hereinabove mentioned shall be considered to be  
30 public records.

31           8. The provisions of this section apply to the board of directors of every  
32 transportation development district organized under sections 238.200 to 238.275.

33           9. Any political subdivision that fails to timely submit a copy of the annual financial  
34 statement to the state auditor shall be subject to a fine of five hundred dollars per day.  
35 **However, for any municipality with fewer than three thousand five hundred inhabitants,**  
36 **the collective total of fines under this subsection shall not exceed ten percent of the total**  
37 **sales and use tax revenue of the fiscal year for which the annual financial statement was**  
38 **not timely filed.**

39           10. The state auditor shall report any violation of subsection 9 of this section to the  
40 department of revenue. Upon notification from the state auditor's office that a political  
41 subdivision failed to timely submit a copy of the annual financial statement, the department of  
42 revenue shall notify such political subdivision by certified mail that the statement has not  
43 been received. **If the political subdivision is a municipality with fewer than three**  
44 **thousand five hundred inhabitants, the department of revenue shall send the notice to**  
45 **both the chief executive and chief financial officer of the municipality.** Such notice shall  
46 clearly set forth the following:

47           (1) The name of the political subdivision;

48           (2) That the political subdivision shall be subject to a fine of five hundred dollars per  
49 day if the political subdivision does not submit a copy of the annual financial statement to the  
50 state auditor's office within thirty days from the postmarked date stamped on the certified  
51 mail envelope;

52           (3) That the fine will be enforced and collected as provided under subsection 11 of  
53 this section; and

54 (4) That the fine will begin accruing on the thirty-first day from the postmarked date  
55 stamped on the certified mail envelope and will continue to accrue until the state auditor's  
56 office receives a copy of the financial statement.

57

58 In the event a copy of the annual financial statement is received within such thirty-day period,  
59 no fine shall accrue or be imposed. The state auditor shall report receipt of the financial  
60 statement to the department of revenue within ten business days. Failure of the political  
61 subdivision to submit the required annual financial statement within such thirty-day period  
62 shall cause the fine to be collected as provided under subsection 11 of this section.

63 11. The department of revenue may collect the fine authorized under the provisions of  
64 subsection 9 of this section by offsetting any sales or use tax distributions due to the political  
65 subdivision. The director of revenue shall retain two percent for the cost of such collection.  
66 The remaining revenues collected from such violations shall be distributed annually to the  
67 schools of the county in the same manner that proceeds for all penalties, forfeitures, and fines  
68 collected for any breach of the penal laws of the state are distributed.

69 12. Any transportation development district organized under sections 238.200 to  
70 238.275 having gross revenues of less than five thousand dollars in the fiscal year for which  
71 the annual financial statement was not timely filed shall not be subject to the fine authorized  
72 in this section.

✓