

SECOND REGULAR SESSION

HOUSE BILL NO. 1802

96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES SWEARINGEN (Sponsor), SILVEY, NETH,
BERRY AND HUMMEL (Co-sponsors).

4825L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 94.902, RSMo, and to enact in lieu thereof one new section relating to sales taxes for public safety.

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

Section A. Section 94.902, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 94.902, to read as follows:

94.902. 1. **(1)** The governing body of **the following cities may impose a sales tax as provided in this section:**

(a) Any city of the third classification with more than twenty-six thousand three hundred but less than twenty-six thousand seven hundred inhabitants[, or] ;

(b) Any city of the fourth classification with more than thirty thousand three hundred but fewer than thirty thousand seven hundred inhabitants[, or] ;

(c) Any city of the fourth classification with more than twenty-four thousand eight hundred but fewer than twenty-five thousand inhabitants[,] ;

(d) Any city of the third classification with more than four thousand but fewer than four thousand five hundred inhabitants and located in any county of the first classification with more than two hundred thousand but fewer than two hundred sixty thousand inhabitants.

(2) The governing body of any city listed in subdivision (1) of this subsection may impose, by order or ordinance, a sales tax on all retail sales made in the city which are subject to taxation under chapter 144. The tax authorized in this section may be imposed in an amount of up to one-half of one percent, and shall be imposed solely for the purpose of improving the

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

17 public safety for such city, including but not limited to expenditures on equipment, city employee
 18 salaries and benefits, and facilities for police, fire and emergency medical providers. The tax
 19 authorized in this section shall be in addition to all other sales taxes imposed by law, and shall
 20 be stated separately from all other charges and taxes. The order or ordinance imposing a sales
 21 tax under this section shall not become effective unless the governing body of the city submits
 22 to the voters residing within the city, at a county or state general, primary, or special election, a
 23 proposal to authorize the governing body of the city to impose a tax under this section.

24 2. The ballot of submission for the tax authorized in this section shall be in substantially
 25 the following form:

26 Shall the city of (city's name) impose a citywide sales tax at
 27 a rate of (insert rate of percent) percent for the purpose of improving the public safety of
 28 the city?

29 YES NO

30

31 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
 32 to the question, place an "X" in the box opposite "NO". If a majority of the votes cast on the
 33 proposal by the qualified voters voting thereon are in favor of the proposal, then the ordinance
 34 or order and any amendments to the order or ordinance shall become effective on the first day
 35 of the second calendar quarter after the director of revenue receives notice of the adoption of the
 36 sales tax. If a majority of the votes cast on the proposal by the qualified voters voting thereon
 37 are opposed to the proposal, then the tax shall not become effective unless the proposal is
 38 resubmitted under this section to the qualified voters and such proposal is approved by a majority
 39 of the qualified voters voting on the proposal. However, in no event shall a proposal under this
 40 section be submitted to the voters sooner than twelve months from the date of the last proposal
 41 under this section.

42 3. Any sales tax imposed under this section shall be administered, collected, enforced,
 43 and operated as required in section 32.087. All sales taxes collected by the director of the
 44 department of revenue under this section on behalf of any city, less one percent for cost of
 45 collection which shall be deposited in the state's general revenue fund after payment of premiums
 46 for surety bonds as provided in section 32.087, shall be deposited in a special trust fund, which
 47 is hereby created in the state treasury, to be known as the "City Public Safety Sales Tax Trust
 48 Fund". The moneys in the trust fund shall not be deemed to be state funds and shall not be
 49 commingled with any funds of the state. The provisions of section 33.080 to the contrary
 50 notwithstanding, money in this fund shall not be transferred and placed to the credit of the
 51 general revenue fund. The director shall keep accurate records of the amount of money in the
 52 trust fund and which was collected in each city imposing a sales tax under this section, and the

53 records shall be open to the inspection of officers of the city and the public. Not later than the
 54 tenth day of each month the director shall distribute all moneys deposited in the trust fund during
 55 the preceding month to the city which levied the tax. Such funds shall be deposited with the city
 56 treasurer of each such city, and all expenditures of funds arising from the trust fund shall be by
 57 an appropriation act to be enacted by the governing body of each such city. Expenditures may
 58 be made from the fund for any functions authorized in the ordinance or order adopted by the
 59 governing body submitting the tax to the voters. If the tax is repealed, all funds remaining in the
 60 special trust fund shall continue to be used solely for the designated purposes. Any funds in the
 61 special trust fund which are not needed for current expenditures shall be invested in the same
 62 manner as other funds are invested. Any interest and moneys earned on such investments shall
 63 be credited to the fund.

64 4. The director of the department of revenue may authorize the state treasurer to make
 65 refunds from the amounts in the trust fund and credited to any city for erroneous payments and
 66 overpayments made, and may redeem dishonored checks and drafts deposited to the credit of
 67 such cities. If any city abolishes the tax, the city shall notify the director of the action at least
 68 ninety days before the effective date of the repeal, and the director may order retention in the
 69 trust fund, for a period of one year, of two percent of the amount collected after receipt of such
 70 notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and
 71 drafts deposited to the credit of such accounts. After one year has elapsed after the effective date
 72 of abolition of the tax in such city, the director shall remit the balance in the account to the city
 73 and close the account of that city. The director shall notify each city of each instance of any
 74 amount refunded or any check redeemed from receipts due the city.

75 5. The governing body of any city that has adopted the sales tax authorized in this section
 76 may submit the question of repeal of the tax to the voters on any date available for elections for
 77 the city. The ballot of submission shall be in substantially the following form:

78 Shall (insert the name of the city) repeal the sales tax
 79 imposed at a rate of (insert rate of percent) percent for the purpose of improving the public
 80 safety of the city?

81 YES NO

82

83 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become
 84 effective on December thirty-first of the calendar year in which such repeal was approved. If a
 85 majority of the votes cast on the question by the qualified voters voting thereon are opposed to
 86 the repeal, then the sales tax authorized in this section shall remain effective until the question
 87 is resubmitted under this section to the qualified voters, and the repeal is approved by a majority
 88 of the qualified voters voting on the question.

89 6. Whenever the governing body of any city that has adopted the sales tax authorized in
90 this section receives a petition, signed by ten percent of the registered voters of the city voting
91 in the last gubernatorial election, calling for an election to repeal the sales tax imposed under this
92 section, the governing body shall submit to the voters of the city a proposal to repeal the tax. If
93 a majority of the votes cast on the question by the qualified voters voting thereon are in favor of
94 the repeal, that repeal shall become effective on December thirty-first of the calendar year in
95 which such repeal was approved. If a majority of the votes cast on the question by the qualified
96 voters voting thereon are opposed to the repeal, then the tax shall remain effective until the
97 question is resubmitted under this section to the qualified voters and the repeal is approved by
98 a majority of the qualified voters voting on the question.

99 7. Except as modified in this section, all provisions of sections 32.085 and 32.087 shall
100 apply to the tax imposed under this section.

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