

House _____ Amendment NO. _____

Offered By

1 AMEND House Committee Substitute for Senate Committee Substitute for Senate Bill No. 190,
2 Page 1, Section A, Line 3, by inserting after all of said line the following:

3 "66.620. 1. All county sales taxes collected by the director of revenue under sections 66.600
4 to 66.630 on behalf of any county, less one percent for cost of collection which shall be deposited in
5 the state's general revenue fund after payment of premiums for surety bonds as provided in section
6 32.087, shall be deposited in a special trust fund, which is hereby created, to be known as the
7 "County Sales Tax Trust Fund". The moneys in the county sales tax trust fund shall not be deemed
8 to be state funds and shall not be commingled with any funds of the state. The director of revenue
9 shall keep accurate records of the amount of money in the trust fund which was collected in each
10 county imposing a county sales tax, and the records shall be open to the inspection of officers of the
11 county and the public. Not later than the tenth day of each month, the director of revenue shall
12 distribute all moneys deposited in the trust fund during the preceding month to the county which
13 levied the tax; such funds shall be deposited with the [county] treasurer of the county and all
14 expenditures of funds arising from the county sales tax trust fund shall be by an appropriation act to
15 be enacted by the legislative council of the county, and to the cities, towns and villages located
16 wholly or partly within the county which levied the tax in the manner as set forth in sections 66.600
17 to 66.630.

18 2. In any county not adopting an additional sales tax and alternate distribution system as
19 provided in section 67.581, for the purposes of distributing the county sales tax, the county shall be
20 divided into two groups, "Group A" and "Group B". Group A shall consist of all cities, towns and
21 villages which are located wholly or partly within the county which levied the tax and which had a
22 city sales tax in effect under the provisions of sections 94.500 to 94.550 on the day prior to the
23 adoption of the county sales tax ordinance, except that beginning January 1, 1980, group A shall
24 consist of all cities, towns and villages which are located wholly or partly within the county which
25 levied the tax and which had a city sales tax approved by the voters of such city under the provisions
26 of sections 94.500 to 94.550 on the day prior to the effective date of the county sales tax. For the
27 purposes of determining the location of consummation of sales for distribution of funds to cities,
28 towns and villages in group A, the boundaries of any such city, town or village shall be the boundary
29 of that city, town or village as it existed on March 19, 1984. Group B shall consist of all cities,
30 towns and villages which are located wholly or partly within the county which levied the tax and
31 which did not have a city sales tax in effect under the provisions of sections 94.500 to 94.550 on the
32 day prior to the adoption of the county sales tax ordinance, and shall also include all unincorporated
33 areas of the county which levied the tax; except that, beginning January 1, 1980, group B shall
34 consist of all cities, towns and villages which are located wholly or partly within the county which
35 levied the tax and which did not have a city sales tax approved by the voters of such city under the
36 provisions of sections 94.500 to 94.550 on the day prior to the effective date of the county sales tax

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1 and shall also include all unincorporated areas of the county which levied the tax.

2 3. Until January 1, 1994, the director of revenue shall distribute to the cities, towns and
3 villages in group A the taxes based on the location in which the sales were deemed consummated
4 under section 66.630 and subsection 12 of section 32.087. Except for distribution governed by
5 section 66.630, after deducting the distribution to the cities, towns and villages in group A, the
6 director of revenue shall distribute the remaining funds in the county sales tax trust fund to the cities,
7 towns and villages and the county in group B as follows: To the county which levied the tax, a
8 percentage of the distributable revenue equal to the percentage ratio that the population of the
9 unincorporated areas of the county bears to the total population of group B; and to each city, town or
10 village in group B located wholly within the taxing county, a percentage of the distributable revenue
11 equal to the percentage ratio that the population of such city, town or village bears to the total
12 population of group B; and to each city, town or village located partly within the taxing county, a
13 percentage of the distributable revenue equal to the percentage ratio that the population of that part
14 of the city, town or village located within the taxing county bears to the total population of group B.

15 4. From [and after] January 1, 1994, until December 31, 2015, the director of revenue shall
16 distribute to the cities, towns and villages in group A a portion of the taxes based on the location in
17 which the sales were deemed consummated under section 66.630 and subsection 12 of section
18 32.087 in accordance with the formula described in this subsection. After deducting the distribution
19 to the cities, towns and villages in group A, the director of revenue shall distribute funds in the
20 county sales tax trust fund to the cities, towns and villages and the county in group B as follows: To
21 the county which levied the tax, ten percent multiplied by the percentage of the population of
22 unincorporated county which has been annexed or incorporated since April 1, 1993, multiplied by
23 the total of all sales tax revenues countywide, and a percentage of the remaining distributable
24 revenue equal to the percentage ratio that the population of unincorporated areas of the county bears
25 to the total population of group B; and to each city, town or village in group B located wholly within
26 the taxing county, a percentage of the remaining distributable revenue equal to the percentage ratio
27 that the population of such city, town or village bears to the total population of group B; and to each
28 city, town or village located partly within the taxing county, a percentage of the remaining
29 distributable revenue equal to the percentage ratio that the population of that part of the city, town or
30 village located within the taxing county bears to the total population of group B.

31 5. (1) From and after January 1, 2016, the director of revenue shall distribute to the cities,
32 towns, and villages in group A a portion of the taxes based on the location in which the sales were
33 deemed consummated under section 66.630 and subsection 12 of section 32.087, in accordance with
34 the formula described in this subsection. After deducting the distribution to the cities, towns, and
35 villages in group A, the director of revenue shall distribute funds in the county sales tax trust fund to
36 the cities, towns, and villages, and the county in group B as follows: to the county which levied the
37 tax, ten percent multiplied by the percentage of the population of unincorporated county which has
38 been annexed or incorporated since April 1, 1993, multiplied by the total of all sales tax revenues
39 countywide, and a percentage of the remaining distributable revenue equal to the percentage ratio
40 that the population of unincorporated areas of the county bears to the total population of group B as
41 adjusted such that no city, town, or village in group B shall receive a distribution that is less than
42 fifty percent of the amount of taxes generated within such city, town, or village based on the location
43 in which the sales were deemed consummated under section 66.630 and subsection 12 of section
44 32.087; and to each city, town, or village in group B located wholly within the taxing county, a
45 percentage of the remaining distributable revenue equal to the percentage ratio that the population of
46 such city, town, or village bears to the total population of group B, as adjusted such that no city,
47 town, or village in group B shall receive a distribution that is less than fifty percent of the amount of
48 taxes generated within such city, town, or village based on the location in which the sales were

1 deemed consummated under section 66.630 and subsection 12 of section 32.087; and to each city,
2 town, or village located partly within the taxing county, a percentage of the remaining distributable
3 revenue equal to the percentage ratio that the population of that part of the city, town, or village
4 located within the taxing county bears to the total population of group B, as adjusted such that no
5 city, town, or village in group B shall receive a distribution that is less than fifty percent of the
6 amount of taxes generated within such city, town, or village based on the location in which the sales
7 were deemed consummated under section 66.630 and subsection 12 of section 32.087.

8 (2) For purposes of making any adjustment required by this subsection, the director of
9 revenue shall, prior to any distribution to the county or to each city, town, or village in group B
10 located wholly or partly within the taxing county, identify each city, town, or village in group B
11 located wholly or partly within the taxing county that would receive a distribution that is less than
12 fifty percent of the amount of taxes generated within such city, town, or village based on the location
13 in which the sales were deemed consummated under section 66.630 and subsection 12 of section
14 32.087 if no adjustment were made and calculate the difference between the amount that the
15 distribution to each such city, town, or village would have been without any adjustment and the
16 amount that equals fifty percent of the amount of taxes generated within such city, town, or village
17 based on the location in which the sales were deemed consummated under section 66.630 and
18 subsection 12 of section 32.087. The director of revenue shall then deduct the amount of such
19 difference from the remaining distributable revenue and distribute the amount of such difference to
20 each such city, town, or village that would otherwise have received a distribution that is less than
21 fifty percent of the amount of taxes generated within such city, town, or village based on the location
22 in which the sales were deemed consummated under section 66.630 and subsection 12 of section
23 32.087 if no adjustment were made. Thereafter, the director of revenue shall distribute the
24 remaining distributable revenue, as adjusted, to the county and to each city, town, or village in group
25 B located wholly or partly within the taxing county in the manner provided in this subsection.

26 (3) For purposes of this subsection, if a city, town, or village is partly in group A and partly
27 in group B, the director of revenue shall calculate fifty percent of the amount of taxes generated
28 within such city, town, or village based on the location in which the sales were deemed consummated
29 under section 66.630 and subsection 12 of section 32.087 by multiplying fifty percent by the amount
30 of all county sales taxes collected by the director of revenue under sections 66.600 to 66.630, less
31 one percent for cost of collection, that are generated within such city, town, or village based on the
32 location in which the sales were deemed consummated under section 66.630 and subsection 12 of
33 section 32.087, regardless of whether such taxes are deemed consummated in group A or group B.

34 6. (1) For purposes of administering the distribution formula of [subsection] subsections 4
35 and 5 of this section, the revenues arising each year from sales occurring within each group A city,
36 town or village shall be distributed as follows: Until such revenues reach the adjusted county
37 average, as hereinafter defined, there shall be distributed to the city, town or village all of such
38 revenues reduced by the percentage which is equal to ten percent multiplied by the percentage of the
39 population of unincorporated county which has been annexed or incorporated after April 1, 1993;
40 and once revenues exceed the adjusted county average, total revenues shall be shared in accordance
41 with the redistribution formula as defined in this subsection.

42 (2) For purposes of this subsection, the "adjusted county average" is the per capita
43 countywide average of all sales tax distributions during the prior calendar year reduced by the
44 percentage which is equal to ten percent multiplied by the percentage of the population of
45 unincorporated county which has been annexed or incorporated after April 1, 1993; the
46 "redistribution formula" is as follows: During 1994, each group A city, town and village shall
47 receive that portion of the revenues arising from sales occurring within the municipality that remains
48 after deducting therefrom an amount equal to the cumulative sales tax revenues arising from sales

1 within the municipality multiplied by the percentage which is the sum of ten percent multiplied by
2 the percentage of the population of unincorporated county which has been annexed or incorporated
3 after April 1, 1993, and the percentage, if greater than zero, equal to the product of 8.5 multiplied by
4 the logarithm (to base 10) of the product of 0.035 multiplied by the total of cumulative per capita
5 sales taxes arising from sales within the municipality less the adjusted county average. During 1995,
6 each group A city, town and village shall receive that portion of the revenues arising from sales
7 occurring within the municipality that remains after deducting therefrom an amount equal to the
8 cumulative sales tax revenues arising from sales within the municipality multiplied by the percentage
9 which is the sum of ten percent multiplied by the percentage of the population of unincorporated
10 county which has been annexed or incorporated after April 1, 1993, and the percentage, if greater
11 than zero, equal to the product of seventeen multiplied by the logarithm (to base 10) of the product
12 of 0.035 multiplied by the total of cumulative per capita sales taxes arising from sales within the
13 municipality less the adjusted county average. From January 1, 1996, until January 1, 2000, each
14 group A city, town and village shall receive that portion of the revenues arising from sales occurring
15 within the municipality that remains after deducting therefrom an amount equal to the cumulative
16 sales tax revenues arising from sales within the municipality multiplied by the percentage which is
17 the sum of ten percent multiplied by the percentage of the population of unincorporated county
18 which has been annexed or incorporated after April 1, 1993, and the percentage, if greater than zero,
19 equal to the product of 25.5 multiplied by the logarithm (to base 10) of the product of 0.035
20 multiplied by the total of cumulative per capita sales taxes arising from sales within the municipality
21 less the adjusted county average. From and after January 1, 2000, the distribution formula covering
22 the period from January 1, 1996, until January 1, 2000, shall continue to apply, except that the
23 percentage computed for sales arising within the municipalities shall be not less than 7.5 percent for
24 municipalities within which sales tax revenues exceed the adjusted county average, nor less than 12.5
25 percent for municipalities within which sales tax revenues exceed the adjusted county average by at
26 least twenty-five percent.

27 (3) For purposes of applying the redistribution formula to a municipality which is partly
28 within the county levying the tax, the distribution shall be calculated alternately for the municipality
29 as a whole, except that the factor for annexed portion of the county shall not be applied to the portion
30 of the municipality which is not within the county levying the tax, and for the portion of the
31 municipality within the county levying the tax. Whichever calculation results in the larger
32 distribution to the municipality shall be used.

33 (4) Notwithstanding any other provision of this section, the fifty percent of additional sales
34 taxes as described in section 99.845 arising from economic activities within the area of a
35 redevelopment project established after July 12, 1990, pursuant to sections 99.800 to 99.865, while
36 tax increment financing remains in effect shall be deducted from all calculations of countywide sales
37 taxes, shall be distributed directly to the municipality involved, and shall be disregarded in
38 calculating the amounts distributed or distributable to the municipality. Further, any agreement,
39 contract or covenant entered into prior to July 12, 1990, between a municipality and any other
40 political subdivision which provides for an appropriation of incremental sales tax revenues to the
41 special allocation fund of a tax increment financing project while tax increment financing remains in
42 effect shall continue to be in full force and effect and the sales taxes so appropriated shall be
43 deducted from all calculations of countywide sales taxes, shall be distributed directly to the
44 municipality involved, and shall be disregarded in calculating the amounts distributed or
45 distributable to the municipality. In addition, and notwithstanding any other provision of this chapter
46 to the contrary, economic development funds shall be distributed in full to the municipality in which
47 the sales producing them were deemed consummated. Additionally, economic development funds
48 shall be deducted from all calculations of countywide sales taxes and shall be disregarded in

1 calculating the amounts distributed or distributable to the municipality. As used in this subdivision,
2 the term "economic development funds" means the amount of sales tax revenue generated in any
3 fiscal year by projects authorized pursuant to chapter 99 or chapter 100 in connection with which
4 such sales tax revenue was pledged as security for, or was guaranteed by a developer to be sufficient
5 to pay, outstanding obligations under any agreement authorized by chapter 100, entered into or
6 adopted prior to September 1, 1993, between a municipality and another public body. The
7 cumulative amount of economic development funds allowed under this provision shall not exceed
8 the total amount necessary to amortize the obligations involved.

9 [6.] 7. If the qualified voters of any city, town or village vote to change or alter its
10 boundaries by annexing any unincorporated territory included in group B or if the qualified voters of
11 one or more city, town or village in group A and the qualified voters of one or more city, town or
12 village in group B vote to consolidate, the area annexed or the area consolidated which had been a
13 part of group B shall remain a part of group B after annexation or consolidation. After the effective
14 date of the annexation or consolidation, the annexing or consolidated city, town or village shall
15 receive a percentage of the group B distributable revenue equal to the percentage ratio that the
16 population of the annexed or consolidated area bears to the total population of group B and such
17 annexed area shall not be classified as unincorporated area for determination of the percentage
18 allocable to the county. If the qualified voters of any two or more cities, towns or villages in group
19 A each vote to consolidate such cities, towns or villages, then such consolidated cities, towns or
20 villages shall remain a part of group A. For the purpose of sections 66.600 to 66.630, population
21 shall be as determined by the last federal decennial census or the latest census that determines the
22 total population of the county and all political subdivisions therein. For the purpose of calculating
23 the adjustment based on the percentage of unincorporated county population which is annexed after
24 April 1, 1993, the accumulated percentage immediately before each census shall be used as the new
25 percentage base after such census. After any annexation, incorporation or other municipal boundary
26 change affecting the unincorporated area of the county, the chief elected official of the county shall
27 certify the new population of the unincorporated area of the county and the percentage of the
28 population which has been annexed or incorporated since April 1, 1993, to the director of revenue.
29 After the adoption of the county sales tax ordinance, any city, town or village in group A may by
30 adoption of an ordinance by its governing body cease to be a part of group A and become a part of
31 group B. Within ten days after the adoption of the ordinance transferring the city, town or village
32 from one group to the other, the clerk of the transferring city, town or village shall forward to the
33 director of revenue, by registered mail, a certified copy of the ordinance. Distribution to such city as
34 a part of its former group shall cease and as a part of its new group shall begin on the first day of
35 January of the year following notification to the director of revenue, provided such notification is
36 received by the director of revenue on or before the first day of July of the year in which the
37 transferring ordinance is adopted. If such notification is received by the director of revenue after the
38 first day of July of the year in which the transferring ordinance is adopted, then distribution to such
39 city as a part of its former group shall cease and as a part of its new group shall begin the first day of
40 July of the year following such notification to the director of revenue. Once a group A city, town or
41 village becomes a part of group B, such city may not transfer back to group A.

42 [7.] 8. If any city, town or village shall hereafter change or alter its boundaries, the city clerk
43 of the municipality shall forward to the director of revenue, by registered mail, a certified copy of
44 the ordinance adding or detaching territory from the municipality. The ordinance shall reflect the
45 effective date thereof, and shall be accompanied by a map of the municipality clearly showing the
46 territory added thereto or detached therefrom. Upon receipt of the ordinance and map, the tax
47 imposed by sections 66.600 to 66.630 shall be redistributed and allocated in accordance with the
48 provisions of this section on the effective date of the change of the municipal boundary so that the

1 proper percentage of group B distributable revenue is allocated to the municipality in proportion to
2 any annexed territory. If any area of the unincorporated county elects to incorporate subsequent to
3 the effective date of the county sales tax as set forth in sections 66.600 to 66.630, the newly
4 incorporated municipality shall remain a part of group B. The city clerk of such newly incorporated
5 municipality shall forward to the director of revenue, by registered mail, a certified copy of the
6 incorporation election returns and a map of the municipality clearly showing the boundaries thereof.
7 The certified copy of the incorporation election returns shall reflect the effective date of the
8 incorporation. Upon receipt of the incorporation election returns and map, the tax imposed by
9 sections 66.600 to 66.630 shall be distributed and allocated in accordance with the provisions of this
10 section on the effective date of the incorporation.

11 [8.] 9. The director of revenue may authorize the state treasurer to make refunds from the
12 amounts in the trust fund and credited to any county for erroneous payments and overpayments
13 made, and may redeem dishonored checks and drafts deposited to the credit of such counties. If any
14 county abolishes the tax, the county shall notify the director of revenue of the action at least ninety
15 days prior to the effective date of the repeal and the director of revenue may order retention in the
16 trust fund, for a period of one year, of two percent of the amount collected after receipt of such
17 notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and
18 drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of
19 abolition of the tax in such county, the director of revenue shall remit the balance in the account to
20 the county and close the account of that county. The director of revenue shall notify each county of
21 each instance of any amount refunded or any check redeemed from receipts due the county.

22 [9.] 10. Except as modified in sections 66.600 to 66.630, all provisions of sections 32.085
23 and 32.087 shall apply to the tax imposed under sections 66.600 to 66.630."; and
24

25 Further amend said bill by amending the title, enacting clause, and intersectional references
26 accordingly.
27