

FIRST REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 566**  
**98TH GENERAL ASSEMBLY**

1455H.02C

D. ADAM CRUMBLISS, Chief Clerk

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**AN ACT**

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

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*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Section A. Section 94.902, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 94.902, to read as follows: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. The governing [body] **bodies of the following cities may impose a tax as provided in this section:**

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

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

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

(4) **Any special charter city with more than twenty-nine thousand but fewer than thirty-two thousand inhabitants; or**

(5) **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 subsection 1 of this section** 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 public

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.

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

26 [2.] 3. The ballot of submission for the tax authorized in this section shall be in  
 27 substantially the following form:

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

31  YES  NO

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

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

43 [3.] 4. Any sales tax imposed under this section shall be administered, collected,  
 44 enforced, and operated as required in section 32.087. All sales taxes collected by the director  
 45 of the department of revenue under this section on behalf of any city, less one percent for cost  
 46 of collection which shall be deposited in the state's general revenue fund after payment of  
 47 premiums for surety bonds as provided in section 32.087, shall be deposited in a special trust  
 48 fund, which is hereby created in the state treasury, to be known as the "City Public Safety Sales  
 49 Tax Trust Fund". The moneys in the trust fund shall not be deemed to be state funds and shall  
 50 not be commingled with any funds of the state. The provisions of section 33.080 to the contrary  
 51 notwithstanding, money in this fund shall not be transferred and placed to the credit of the  
 52 general revenue fund. The director shall keep accurate records of the amount of money in the  
 53 trust fund and which was collected in each city imposing a sales tax under this section, and the  
 54 records shall be open to the inspection of officers of the city and the public. Not later than the

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

65 [4.] 5. The director of the department of revenue may authorize the state treasurer to  
 66 make refunds from the amounts in the trust fund and credited to any city for erroneous payments  
 67 and overpayments made, and may redeem dishonored checks and drafts deposited to the credit  
 68 of such cities. If any city abolishes the tax, the city shall notify the director of the action at least  
 69 ninety days before the effective date of the repeal, and the director may order retention in the  
 70 trust fund, for a period of one year, of two percent of the amount collected after receipt of such  
 71 notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and  
 72 drafts deposited to the credit of such accounts. After one year has elapsed after the effective date  
 73 of abolition of the tax in such city, the director shall remit the balance in the account to the city  
 74 and close the account of that city. The director shall notify each city of each instance of any  
 75 amount refunded or any check redeemed from receipts due the city.

76 [5.] 6. The governing body of any city that has adopted the sales tax authorized in this  
 77 section may submit the question of repeal of the tax to the voters on any date available for  
 78 elections for the city. The ballot of submission shall be in substantially the following form:

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

82  YES  NO

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.] 7. Whenever the governing body of any city that has adopted the sales tax authorized  
 90 in 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.] **8.** Except as modified in this section, all provisions of sections 32.085 and 32.087  
100 shall apply to the tax imposed under this section.

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