

FIRST REGULAR SESSION

# HOUSE BILL NO. 847

## 98TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE DAVIS.

1575L.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To repeal section 94.900, RSMo, and to enact in lieu thereof one new section relating to a sales tax for public safety purposes.

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

Section A. Section 94.900, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 94.900, to read as follows:

94.900. 1. [(1) The governing body of the following cities may impose a tax as provided in this section:

(a) Any city of the third classification with more than ten thousand eight hundred but less than ten thousand nine hundred inhabitants located at least partly within a county of the first classification with more than one hundred eighty-four thousand but less than one hundred eighty-eight thousand inhabitants;

(b) Any city of the fourth classification with more than eight thousand nine hundred but fewer than nine thousand inhabitants;

(c) Any city of the fourth classification with more than two thousand six hundred but fewer than two thousand seven hundred inhabitants and located in any county of the first classification with more than eighty-two thousand but fewer than eighty-two thousand one hundred inhabitants;

(d) Any home rule city with more than forty-eight thousand but fewer than forty-nine thousand inhabitants;

(e) Any home rule city with more than seventy-three thousand but fewer than seventy-five thousand inhabitants.

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           (2)] The governing body of any city [listed in subdivision (1) of this subsection] **or**  
18 **village, except for any city not within a county or any home rule city with more than four**  
19 **hundred thousand inhabitants and located in more than one county**, is hereby authorized  
20 to impose, by ordinance or order, a sales tax in the amount of up to one-half of one percent on  
21 all retail sales made in such city **or village** which are subject to taxation under the provisions of  
22 [sections 144.010 to 144.525] **chapter 144** for the purpose of improving the public safety for  
23 such city **or village**, including but not limited to expenditures on equipment, city **or village**  
24 employee salaries and benefits, and facilities for police, fire and emergency medical providers.  
25 The tax authorized by this section shall be in addition to any and all other sales taxes allowed by  
26 law, except that no ordinance or order imposing a sales tax pursuant to the provisions of this  
27 section shall be effective unless the governing body of the city **or village** submits to the voters  
28 of the city **or village**, at a county or state general, primary or special election, a proposal to  
29 authorize the governing body of the city **or village** to impose a tax.

30           2. If the proposal submitted involves only authorization to impose the tax authorized by  
31 this section, the ballot of submission shall contain, but need not be limited to, the following  
32 language:

33           Shall the city **(or village)** of ..... (city's **or village's** name) impose a citywide  
34 **(or villagewide)** sales tax of ..... (insert amount) for the purpose of improving the public  
35 safety of the city **(or village)**?

36

37                               ☐ YES

☐ NO

38

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

41

42 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor  
43 of the proposal submitted pursuant to this subsection, then the ordinance or order and any  
44 amendments thereto shall be in effect on the first day of the second calendar quarter after the  
45 director of revenue receives notification of adoption of the local sales tax. If a proposal receives  
46 less than the required majority, then the governing body of the city **or village** shall have no  
47 power to impose the sales tax herein authorized unless and until the governing body of the city  
48 **or village** shall again have submitted another proposal to authorize the governing body of the  
49 city **or village** to impose the sales tax authorized by this section and such proposal is approved  
50 by the required majority of the qualified voters voting thereon. However, in no event shall a  
51 proposal pursuant to this section be submitted to the voters sooner than twelve months from the  
52 date of the last proposal pursuant to this section.

53           3. All revenue received by a city **or village** from the tax authorized under the provisions  
54 of this section shall be deposited in a special trust fund and shall be used solely for improving  
55 the public safety for such city **or village** for so long as the tax shall remain in effect.

56           4. Once the tax authorized by this section is abolished or is terminated by any means, all  
57 funds remaining in the special trust fund shall be used solely for improving the public safety for  
58 the city **or village**. Any funds in such special trust fund which are not needed for current  
59 expenditures may be invested by the governing body in accordance with applicable laws relating  
60 to the investment of other city **or village** funds.

61           5. All sales taxes collected by the director of the department of revenue under this  
62 section on behalf of any city **or village**, less one percent for cost of collection which shall be  
63 deposited in the state's general revenue fund after payment of premiums for surety bonds as  
64 provided in section 32.087, shall be deposited in a special trust fund, which is hereby created,  
65 to be known as the "City **and Village** Public Safety Sales Tax Trust Fund". The moneys in the  
66 trust fund shall not be deemed to be state funds and shall not be commingled with any funds of  
67 the state. The provisions of section 33.080 to the contrary notwithstanding, money in this fund  
68 shall not be transferred and placed to the credit of the general revenue fund. The director of the  
69 department of revenue shall keep accurate records of the amount of money in the trust and which  
70 was collected in each city **or village** imposing a sales tax pursuant to this section, and the records  
71 shall be open to the inspection of officers of the city **or village** and the public. Not later than the  
72 tenth day of each month the director of the department of revenue shall distribute all moneys  
73 deposited in the trust fund during the preceding month to the city **or village** which levied the tax;  
74 such funds shall be deposited with the city treasurer of each such city **or the equivalent officer**  
75 **of such village**, and all expenditures of funds arising from the trust fund shall be by an  
76 appropriation act to be enacted by the governing body of each such city **or village**. Expenditures  
77 may be made from the fund for any functions authorized in the ordinance or order adopted by  
78 the governing body submitting the tax to the voters.

79           6. The director of the department of revenue may make refunds from the amounts in the  
80 trust fund and credited to any city **or village** for erroneous payments and overpayments made,  
81 and may redeem dishonored checks and drafts deposited to the credit of such cities **or villages**.  
82 If any city **or village** abolishes the tax, the city **or village** shall notify the director of the  
83 department of revenue of the action at least ninety days prior to the effective date of the repeal  
84 and the director of the department of revenue may order retention in the trust fund, for a period  
85 of one year, of two percent of the amount collected after receipt of such notice to cover possible  
86 refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the  
87 credit of such accounts. After one year has elapsed after the effective date of abolition of the tax  
88 in such city **or village**, the director of the department of revenue shall remit the balance in the

89 account to the city **or village** and close the account of that city **or village**. The director of the  
90 department of revenue shall notify each city **or village** of each instance of any amount refunded  
91 or any check redeemed from receipts due the city **or village**.

92       **7. The governing body of any city or village that has adopted the sales tax**  
93 **authorized in this section may submit the question of repeal of the tax to the voters on any**  
94 **date available for elections for the city or village. If a majority of the votes cast on the**  
95 **question by the qualified voters voting thereon are in favor of the repeal, that repeal shall**  
96 **become effective on December thirty-first of the calendar year in which such repeal was**  
97 **approved. If a majority of the votes cast on the question by the qualified voters voting**  
98 **thereon are opposed to the repeal, then the sales tax authorized in this section shall remain**  
99 **effective until the question is resubmitted under this section to the qualified voters and the**  
100 **repeal is approved by a majority of the qualified voters voting on the question.**

101       **8. Whenever the governing body of any city or village that has adopted the sales tax**  
102 **authorized in this section receives a petition, signed by a number of registered voters of the**  
103 **city or village equal to at least twenty percent of the number of registered voters of the city**  
104 **or village voting in the last gubernatorial election, calling for an election to repeal the sales**  
105 **tax imposed under this section, the governing body shall submit to the voters a proposal**  
106 **to repeal the tax. If a majority of the votes cast on the question by the qualified voters**  
107 **voting thereon are in favor of the repeal, the repeal shall become effective on December**  
108 **thirty-first of the calendar year in which such repeal was approved. If a majority of the**  
109 **votes cast on the question by the qualified voters voting thereon are opposed to the repeal,**  
110 **then the sales tax authorized in this section shall remain effective until the question is**  
111 **resubmitted under this section to the qualified voters and the repeal is approved by a**  
112 **majority of the qualified voters voting on the question.**

113       **9. Except as modified in this section, all provisions of sections 32.085 and 32.087 shall**  
114 **apply to the tax imposed pursuant to this section.**

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