

FIRST REGULAR SESSION

# HOUSE BILL NO. 555

101ST GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE EGGLESTON.

1222H.011

DANA RADEMAN MILLER, Chief Clerk

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## AN ACT

To repeal sections 32.310, 67.1401, 67.1545, 67.2677, 67.2689, 99.020, 99.320, 99.805, 99.918, 99.1082, 100.310, 105.145, 135.950, 137.115, 143.011, 143.031, 143.131, 143.151, 143.161, 144.605, 144.757, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, 144.1015, 238.207, 238.235, 238.237, 262.900, 353.020, and 620.2005, RSMo, and to enact in lieu thereof twenty-nine new sections relating to taxation, with penalty provisions.

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

Section A. Sections 32.310, 67.1401, 67.1545, 67.2677, 67.2689, 99.020, 99.320, 99.805, 99.918, 99.1082, 100.310, 105.145, 135.950, 137.115, 143.011, 143.031, 143.131, 143.151, 143.161, 144.605, 144.757, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, 144.1015, 238.207, 238.235, 238.237, 262.900, 353.020, and 620.2005, RSMo, are repealed and twenty-nine new sections enacted in lieu thereof, to be known as sections 32.310, 67.1401, 67.1545, 67.2677, 67.2689, 99.020, 99.320, 99.805, 99.918, 99.1082, 100.310, 105.145, 135.950, 137.115, 143.011, 143.031, 143.131, 143.151, 143.161, 144.605, 144.637, 144.752, 144.757, 238.207, 238.235, 238.237, 262.900, 353.020, and 620.2005, to read as follows:

32.310. 1. The department of revenue shall create and maintain a mapping feature on its official public website that displays sales **and use** tax information of political subdivisions of this state that have taxing authority, including the current tax rate for each sales **and use** tax imposed and collected. Such display shall have the option to showcase the borders and jurisdiction of the following political subdivisions on a map of the state to the extent that such political subdivisions collect sales **or use** tax:

(1) Ambulance districts;

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.

- 8 (2) Community improvement districts;  
9 (3) Fire protection districts;  
10 (4) Levee districts;  
11 (5) Library districts;  
12 (6) Neighborhood improvement districts;  
13 (7) Port authority districts;  
14 (8) Tax increment financing districts;  
15 (9) Transportation development districts;  
16 (10) School districts; or  
17 (11) Any other political subdivision that imposes a sales **or use** tax within its borders  
18 and jurisdiction.

19 2. The mapping feature shall also have the option to superimpose state house of  
20 representative districts and state senate districts over the political subdivisions.

21 3. A political subdivision collecting sales **or use** tax listed in subsection 1 of this section  
22 shall provide to the department of revenue mapping and geographic data pertaining to the  
23 political subdivision's borders and jurisdictions. The political subdivision shall certify the  
24 accuracy of the data by affidavit and shall provide the data in a format specified by the  
25 department of revenue. Such data shall be sent to the department of revenue by April 1, 2019,  
26 and shall be updated and sent to the department if a change in the political subdivision's borders  
27 or jurisdiction occurs thereafter.

28 4. The department of revenue may contract with another entity to build and maintain the  
29 mapping feature.

30 5. By July 1, 2019, the department shall implement the mapping feature using the data  
31 provided to it under subsection 3 of this section.

32 **6. (1) By July 1, 2022, the department of revenue shall update the mapping feature**  
33 **to include property tax levy information of political subdivisions in this state that have**  
34 **property taxing authority, including the current property tax rate for each property tax**  
35 **levied. The mapping feature shall have the option to showcase the borders and jurisdiction**  
36 **of all political subdivisions in this state that levy a property tax. By January 1, 2022, the**  
37 **state auditor shall provide to the department of revenue all property tax levy information**  
38 **necessary for the department to comply with the provisions of this subdivision.**

39 **(2) By July 1, 2022, the department shall update the mapping feature to include the**  
40 **total sales tax rate for combined rates of overlapping sales taxes levied, the total use tax**  
41 **rate for combined rates of overlapping use taxes levied, and the total property tax rate for**  
42 **combined rates of overlapping property taxes levied.**

- 67.1401. 1. Sections 67.1401 to 67.1571 shall be known and may be cited as the  
2 "Community Improvement District Act".
- 3 2. For the purposes of sections 67.1401 to 67.1571, the following words and terms mean:
- 4 (1) "Approval" or "approve", for purposes of elections pursuant to sections 67.1401 to  
5 67.1571, a simple majority of those qualified voters voting in the election;
- 6 (2) "Assessed value", the assessed value of real property as reflected on the tax records  
7 of the county clerk of the county in which the property is located, or the collector of revenue if  
8 the property is located in a city not within a county, as of the last completed assessment;
- 9 (3) "Blighted area", an area which [  
10 ~~——(a)~~], by reason of the predominance of defective or inadequate street layout, insanitary  
11 or unsafe conditions, deterioration of site improvements, [~~improper subdivision or obsolete~~  
12 ~~planning,~~] or the existence of conditions which endanger life or property by fire and other causes,  
13 or any combination of such factors, retards the provision of housing accommodations or  
14 constitutes an economic or social liability or a menace to the public health, safety, [~~morals~~] or  
15 welfare in its present condition and use[; ~~or~~  
16 ~~——(b) Has been declared blighted or found to be a blighted area pursuant to Missouri law~~  
17 ~~including, but not limited to, chapter 353, sections 99.800 to 99.865, or sections 99.300 to~~  
18 ~~99.715]~~, **and, for an area located in a city not within a county, which is located in a census**  
19 **tract that is defined as a "low-income community" under 26 U.S.C. Section 45D or is**  
20 **eligible to be designated as a "qualified opportunity zone" under 26 U.S.C. Section 1400Z-**  
21 **1;**
- 22 (4) "Board", if the district is a political subdivision, the board of directors of the district,  
23 or if the district is a not-for-profit corporation, the board of directors of such corporation;
- 24 (5) "Director of revenue", the director of the department of revenue of the state of  
25 Missouri;
- 26 (6) "District", a community improvement district, established pursuant to sections  
27 67.1401 to 67.1571;
- 28 (7) "Election authority", the election authority having jurisdiction over the area in which  
29 the boundaries of the district are located pursuant to chapter 115;
- 30 (8) "Municipal clerk", the clerk of the municipality;
- 31 (9) "Municipality", any city, village, incorporated town, or county of this state, or in any  
32 unincorporated area that is located in any county with a charter form of government and with  
33 more than one million inhabitants;
- 34 (10) "Obligations", bonds, loans, debentures, notes, special certificates, or other  
35 evidences of indebtedness issued by a district to carry out any of its powers, duties or purposes  
36 or to refund outstanding obligations;

37 (11) "Owner", for real property, the individual or individuals or entity or entities who  
38 own a fee interest in real property that is located within the district or their legally authorized  
39 representative; for business organizations and other entities, the owner shall be deemed to be the  
40 individual which is legally authorized to represent the entity in regard to the district;

41 (12) "Per capita", one head count applied to each individual, entity or group of  
42 individuals or entities having fee ownership of real property within the district whether such  
43 individual, entity or group owns one or more parcels of real property in the district as joint  
44 tenants, tenants in common, tenants by the entirety, tenants in partnership, except that with  
45 respect to a condominium created under sections 448.1-101 to 448.4-120, "per capita" means one  
46 head count applied to the applicable unit owners' association and not to each unit owner;

47 (13) "Petition", a petition to establish a district as it may be amended in accordance with  
48 the requirements of section 67.1421;

49 (14) "Qualified voters",

50 (a) For purposes of elections for approval of real property taxes:

51 a. Registered voters; or

52 b. If no registered voters reside in the district, the owners of one or more parcels of real  
53 property which is to be subject to such real property taxes and is located within the district per  
54 the tax records for real property of the county clerk, or the collector of revenue if the district is  
55 located in a city not within a county, as of the thirtieth day prior to the date of the applicable  
56 election;

57 (b) For purposes of elections for approval of business license taxes or sales taxes:

58 a. Registered voters; or

59 b. If no registered voters reside in the district, the owners of one or more parcels of real  
60 property located within the district per the tax records for real property of the county clerk as of  
61 the thirtieth day before the date of the applicable election; and

62 (c) For purposes of the election of directors of the board, registered voters and owners  
63 of real property which is not exempt from assessment or levy of taxes by the district and which  
64 is located within the district per the tax records for real property of the county clerk, or the  
65 collector of revenue if the district is located in a city not within a county, of the thirtieth day prior  
66 to the date of the applicable election; and

67 (15) "Registered voters", persons who reside within the district and who are qualified  
68 and registered to vote pursuant to chapter 115, pursuant to the records of the election authority  
69 as of the thirtieth day prior to the date of the applicable election.

67.1545. 1. Any district formed as a political subdivision may impose by resolution a  
2 district sales and use tax on all retail sales made in such district which are subject to taxation  
3 pursuant to sections 144.010 to 144.525, except sales of motor vehicles, trailers, boats or

4 outboard motors and sales to or by public utilities and providers of communications, cable, or  
5 video services. Any sales and use tax imposed pursuant to this section may be imposed in  
6 increments of one-eighth of one percent, up to a maximum of one percent. Such district sales  
7 and use tax may be imposed for any district purpose designated by the district in its ballot of  
8 submission to ~~its~~ qualified voters; except that, no resolution adopted pursuant to this section  
9 shall become effective unless the board of directors of the district submits to the qualified voters  
10 of the **municipality in which the district is located**, by mail-in ballot, a proposal to authorize  
11 a sales and use tax pursuant to this section. If a majority of the votes cast by the qualified voters  
12 on the proposed sales tax are in favor of the sales tax, then the resolution is adopted. If a  
13 majority of the votes cast by the qualified voters are opposed to the sales tax, then the resolution  
14 is void.

15 2. The ballot shall be substantially in the following form:

16 Shall the \_\_\_\_\_ (insert name of district) Community Improvement District  
17 impose a community improvement districtwide sales and use tax at the maximum  
18 rate of \_\_\_\_\_ (insert amount) for a period of \_\_\_\_\_ (insert number) years from  
19 the date on which such tax is first imposed for the purpose of providing revenue  
20 for \_\_\_\_\_ (insert general description of the purpose)?

21  YES  NO

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

24 3. Within ten days after the qualified voters have approved the imposition of the sales  
25 and use tax, the district shall, in accordance with section 32.087, notify the director of the  
26 department of revenue. The sales and use tax authorized by this section shall become effective  
27 on the first day of the second calendar quarter after the director of the department of revenue  
28 receives notice of the adoption of such tax.

29 4. The director of the department of revenue shall collect any tax adopted pursuant to this  
30 section pursuant to section 32.087.

31 5. In each district in which a sales and use tax is imposed pursuant to this section, every  
32 retailer shall add such additional tax imposed by the district to such retailer's sale price, and when  
33 so added such tax shall constitute a part of the purchase price, shall be a debt of the purchaser  
34 to the retailer until paid and shall be recoverable at law in the same manner as the purchase price.

35 6. In order to allow retailers to collect and report the sales and use tax authorized by this  
36 section as well as all other sales and use taxes required by law in the simplest and most efficient  
37 manner possible, a district may establish appropriate brackets to be used in the district imposing  
38 a tax pursuant to this section in lieu of the brackets provided in section 144.285.

39 7. The penalties provided in sections 144.010 to 144.525 shall apply to violations of this  
40 section.

41 8. All revenue received by the district from a sales and use tax imposed pursuant to this  
42 section which is designated for a specific purpose shall be deposited into a special trust fund and  
43 expended solely for such purpose. Upon the expiration of any sales and use tax adopted pursuant  
44 to this section, all funds remaining in the special trust fund shall continue to be used solely for  
45 the specific purpose designated in the resolution adopted by the qualified voters. Any funds in  
46 such special trust fund which are not needed for current expenditures may be invested by the  
47 board of directors pursuant to applicable laws relating to the investment of other district funds.

48 9. A district may repeal by resolution any sales and use tax imposed pursuant to this  
49 section before the expiration date of such sales and use tax unless the repeal of such sales and  
50 use tax will impair the district's ability to repay any liabilities the district has incurred, moneys  
51 the district has borrowed or obligation the district has issued to finance any improvements or  
52 services rendered for the district.

53 10. Notwithstanding the provisions of chapter 115, an election for a district sales and use  
54 tax under this section shall be conducted in accordance with the provisions of this section.

67.2677. For purposes of sections 67.2675 to 67.2714, the following terms mean:

- 2 (1) "Cable operator", as defined in 47 U.S.C. Section 522(5);
- 3 (2) "Cable system", as defined in 47 U.S.C. Section 522(7);
- 4 (3) "Franchise", an initial authorization, or renewal of an authorization, issued by a  
5 franchising entity, regardless of whether the authorization is designated as a franchise, permit,  
6 license, resolution, contract, certificate, agreement, or otherwise, that authorizes the provision  
7 of video service and any affiliated or subsidiary agreements related to such authorization;
- 8 (4) "Franchise area", the total geographic area authorized to be served by an incumbent  
9 cable operator in a political subdivision as of August 28, 2007, or, in the case of an incumbent  
10 local exchange carrier, as such term is defined in 47 U.S.C. Section 251(h), or affiliate thereof,  
11 the area within such political subdivision in which such carrier provides telephone exchange  
12 service;
- 13 (5) "Franchise entity", a political subdivision that was entitled to require franchises and  
14 impose fees on cable operators on the day before the effective date of sections 67.2675 to  
15 67.2714, provided that only one political subdivision may be a franchise entity with regard to a  
16 geographic area;
- 17 (6) (a) "Gross revenues", limited to amounts billed to video service subscribers ~~or~~  
18 ~~received from advertisers~~ for the following:
  - 19 a. Recurring charges for video service; **and**

- 20 b. Event-based charges for video service, including but not limited to pay-per-view and  
21 video-on-demand charges;
- 22 ~~[c. Rental of set top boxes and other video service equipment;~~
- 23 ~~—— d. Service charges related to the provision of video service, including but not limited to~~  
24 ~~activation, installation, repair, and maintenance charges;~~
- 25 ~~—— e. Administrative charges related to the provision of video service, including but not~~  
26 ~~limited to service order and service termination charges; and~~
- 27 ~~—— f. A pro rata portion of all revenue derived, less refunds, rebates, or discounts, by a video~~  
28 ~~service provider for advertising over the video service network to subscribers within the~~  
29 ~~franchise area where the numerator is the number of subscribers within the franchise area, and~~  
30 ~~the denominator is the total number of subscribers reached by such advertising;]~~
- 31 (b) "Gross revenues" do not include:
- 32 a. Discounts, refunds, and other price adjustments that reduce the amount of  
33 compensation received by an entity holding a video service authorization;
- 34 b. Uncollectibles;
- 35 c. Late payment fees;
- 36 d. Amounts billed to video service subscribers to recover taxes, fees, or surcharges  
37 imposed on video service subscribers or video service providers in connection with the provision  
38 of video services, including the video service provider fee authorized by this section;
- 39 e. Fees or other contributions for PEG or I-Net support; ~~[or]~~
- 40 f. Charges for services other than video service that are aggregated or bundled with  
41 amounts billed to video service subscribers, if the entity holding a video service authorization  
42 reasonably can identify such charges on books and records kept in the regular course of business  
43 or by other reasonable means;
- 44 **g. Rental of set-top boxes, modems, or other equipment used to provide or facilitate**  
45 **the provision of video service;**
- 46 **h. Service charges related to the provision of video service including, but not**  
47 **limited to, activation, installation, repair, and maintenance charges;**
- 48 **i. Administrative charges related to the provision of video service including, but not**  
49 **limited to, service order and service termination charges; or**
- 50 **j. A pro rata portion of all revenue derived from advertising, less refunds, rebates,**  
51 **or discounts;**
- 52 (c) Except with respect to the exclusion of the video service provider fee, gross revenues  
53 shall be computed in accordance with generally accepted accounting principles;
- 54 (7) "Household", an apartment, a house, a mobile home, or any other structure or part  
55 of a structure intended for residential occupancy as separate living quarters;

56 (8) "Incumbent cable operator", the cable service provider serving cable subscribers in  
57 a particular franchise area on September 1, 2007;

58 (9) "Low-income household", a household with an average annual household income of  
59 less than thirty-five thousand dollars;

60 (10) "Person", an individual, partnership, association, organization, corporation, trust,  
61 or government entity;

62 (11) "Political subdivision", a city, town, village, county;

63 (12) "Public right-of-way", the area of real property in which a political subdivision has  
64 a dedicated or acquired right-of-way interest in the real property, including the area on, below,  
65 or above the present and future streets, alleys, avenues, roads, highways, parkways, or boulevards  
66 dedicated or acquired as right-of-way and utility easements dedicated for compatible uses. The  
67 term does not include the airwaves above a right-of-way with regard to wireless  
68 telecommunications or other nonwire telecommunications or broadcast service;

69 (13) "Video programming", programming provided by, or generally considered  
70 comparable to programming provided by, a television broadcast station, as set forth in 47 U.S.C.  
71 Section 522(20);

72 (14) "Video service", the provision of video programming provided through wireline  
73 facilities located at least in part in the public right-of-way without regard to delivery technology,  
74 including internet protocol technology whether provided as part of a tier, on demand, or a  
75 per-channel basis. This definition includes cable service as defined by 47 U.S.C. Section 522(6),  
76 but does not include any video programming provided by a commercial mobile service provider  
77 defined in 47 U.S.C. Section 332(d), or any video programming provided solely as part of and  
78 via a service that enables users to access content, information, electronic mail, or other services  
79 offered over the public internet;

80 (15) "Video service authorization", the right of a video service provider or an incumbent  
81 cable operator that secures permission from the public service commission pursuant to sections  
82 67.2675 to 67.2714, to offer video service to subscribers in a political subdivision;

83 (16) "Video service network", wireline facilities, or any component thereof, located at  
84 least in part in the public right-of-way that deliver video service, without regard to delivery  
85 technology, including internet protocol technology or any successor technology. The term video  
86 service network shall include cable systems;

87 (17) "Video service provider", any person that distributes video service through a video  
88 service network pursuant to a video service authorization;

89 (18) "Video service provider fee", the fee imposed under section 67.2689.

67.2689. 1. A franchise entity may collect a video service provider fee equal to not more  
2 than five percent of the gross revenues ~~[from each]~~ **charged to each customer of a** video service



3 provider **that is** providing video service in the geographic area of such franchise entity. The  
4 video service provider fee shall apply equally to all video service providers within the geographic  
5 area of a franchise entity.

6 **2. Beginning January 1, 2023, in any county or municipality that adopts a local use**  
7 **tax under section 144.757, the maximum percent of such gross revenues that franchise**  
8 **entities may collect is as follows:**

9 **(1) Beginning January 1, 2023, four percent;**

10 **(2) Beginning January 1, 2024, three percent;**

11 **(3) Beginning January 1, 2025, two percent;**

12 **(4) Beginning January 1, 2026, one percent; and**

13 **(5) Beginning January 1, 2027, zero percent.**

14 **3.** Except as otherwise expressly provided in sections 67.2675 to 67.2714, neither a  
15 franchise entity nor any other political subdivision shall demand any additional fees, licenses,  
16 gross receipt taxes, or charges on the provision of video services by a video service provider and  
17 shall not demand the use of any other calculation method.

18 ~~[3. All video service providers providing service in the geographic area of a franchise~~  
19 ~~entity shall pay the video service provider fee at the same percent of gross revenues as had been~~  
20 ~~assessed on the incumbent cable operator by the franchise entity immediately prior to the date~~  
21 ~~of enactment of sections 67.2675 to 67.2714, and such percentage shall continue to apply until~~  
22 ~~the date that the incumbent cable operator's franchise existing at that time expires or would have~~  
23 ~~expired if it had not been terminated pursuant to sections 67.2675 to 67.2714. The franchise~~  
24 ~~entity shall notify the applicant for a video service authorization of the applicable gross revenue~~  
25 ~~fee percentage within thirty days of the date notice of the applicant is provided.]~~

26 **4.** Not more than once per calendar year after the date that the incumbent cable operator's  
27 franchise existing on August 28, 2007, expires or would have expired if it had not been  
28 terminated pursuant to sections 67.2675 to 67.2714, or in any political subdivision where no  
29 franchise applied on the date of enactment of sections 67.2675 to 67.2714, no more than once  
30 per calendar year after the video service provider fee was initially imposed, a franchise entity,  
31 may, upon ninety days notice to all video service providers, elect to adjust the amount of the  
32 video service provider fee subject to state and federal law, but in no event shall such fee exceed  
33 ~~[five percent of a video service provider's gross revenue]~~ **the amounts provided under**  
34 **subsections 1 and 2 of this section.**

35 **5.** The video service provider fee shall be paid to each franchise entity requiring such fee  
36 on or before the last day of the month following the end of each calendar quarter ~~[and shall be~~  
37 ~~calculated as a percentage of gross revenues, as defined under section 67.2677]. Any payment~~

38 made pursuant to subsection 8 of section 67.2703 shall be made at the same time as the payment  
39 of the video service provider fee.

40 6. Any video service provider ~~may~~ **shall** identify and collect the amount of the video  
41 service provider fee and collect any support under subsection 8 of section 67.2703 as separate  
42 line items on subscriber bills. **The video service provider fee shall be labeled as a "City**  
43 **Utility Pole Fee" on subscriber bills.**

99.020. The following terms, wherever used or referred to in sections 99.010 to 99.230,  
2 shall have the following respective meanings unless a different meaning clearly appears from the  
3 context:

4 (1) "Area of operation", in the case of a housing authority of a city, shall include such  
5 city; in the case of a housing authority of a county, shall include all of the county except that  
6 portion which lies within the territorial boundaries of any city as herein defined;

7 (2) "Authority" or "housing authority" shall mean any of the municipal corporations  
8 created by section 99.040;

9 (3) "Blighted area" ~~[shall mean any area where dwellings predominate which, by reason~~  
10 ~~of dilapidation, overcrowding, lack of ventilation, light or sanitary facilities or any combination~~  
11 ~~of these factors are detrimental to safety, health and morals]~~ **shall have the same meaning as**  
12 **provided under section 67.1401;**

13 (4) "Bonds" shall mean any bonds, notes, interim certificates, debentures, or other  
14 obligations issued by the authority pursuant to this chapter;

15 (5) "City" shall mean any city, town or village in the state;

16 (6) "The city" shall mean the particular city for which a particular housing authority is  
17 created;

18 (7) "Clerk" shall mean the clerk of the city or the clerk of the county commission, as the  
19 case may be, or the officer charged with the duties customarily imposed on such clerk;

20 (8) "County" shall mean any county in the state;

21 (9) "The county" shall mean the particular county for which a particular housing  
22 authority is created;

23 (10) "Federal government" shall include the United States of America, the United States  
24 Department of Housing and Urban Development or any other agency or instrumentality,  
25 corporate or otherwise, of the United States of America;

26 (11) "Governing body" shall mean, in the case of a city, the city council, common  
27 council, board of aldermen or other legislative body of the city, and in the case of a county, the  
28 county commission or other legislative body of the county;

29 (12) "Housing project" shall mean any work or undertaking, whether in a blighted or  
30 other area:

31 (a) To demolish, clear or remove buildings. Such work or undertaking may include the  
32 adaptation of such area to public purposes, including parks or other recreation or community  
33 purposes; or

34 (b) To provide decent, safe and sanitary urban or rural dwellings, apartments or other  
35 living accommodations for persons of very low and lower income. Such work or undertaking  
36 may include buildings, land, equipment, facilities and other real or personal property for  
37 necessary, convenient or desirable appurtenances, streets, sewers, water service, site preparation,  
38 gardening, administrative, community, health, welfare or other purposes. Such work or  
39 undertaking may also include housing, for persons of moderate income, offices, stores, solar  
40 energy access, parks, and recreational and educational facilities, provided that such activities be  
41 undertaken only in conjunction with the provision of housing for persons of very low and lower  
42 income, and provided further that any profit of the authority shall be distributed as provided in  
43 subsection 3 of section 99.080; or

44 (c) To accomplish a combination of the foregoing. The term "housing project" also may  
45 be applied to the planning of the buildings and improvements, the acquisition of property; the  
46 demolition of existing structures, the construction, reconstruction, alteration and repair of the  
47 improvements and all other work in connection therewith;

48 (d) In the planning and carrying out of any housing project owned and operated by a  
49 housing authority, a housing authority shall establish procedures for allocating any training and  
50 employment opportunities which may arise from such activity to qualified persons of very low  
51 and lower income who have been unemployed for one year or more and reside within the area  
52 of operation of the housing authority;

53 (13) "Mayor" shall mean the elected mayor of the city or the elected officer thereof  
54 charged with duties customarily imposed on the mayor or executive head of the city;

55 (14) "Obligee of the authority" or "obligee" shall include any bondholder, trustee or  
56 trustees for any bondholders, or lessor demising to the authority property used in connection with  
57 a housing project, or any assignee or assignees of such lessor's interest or any part thereof, and  
58 the federal government when it is a party to any contract with the authority;

59 (15) "Persons of very low income" means those persons or families whose annual  
60 income does not exceed fifty percent of the median income for the area. "Persons of lower  
61 income" means those persons or families whose annual income is greater than fifty but does not  
62 exceed eighty percent of the median income for the area. "Persons of moderate income" means  
63 those persons or families whose annual income is greater than eighty but does not exceed one  
64 hundred and fifty percent of the median income for the area. For purposes of this subdivision,  
65 median income for the area shall be determined in accordance with section 1437a, Title 42,  
66 United States Code, including any amendments thereto. Any and all references to "persons of

67 low income" in this chapter shall mean persons of very low, lower or moderate income as  
68 defined herein;

69 (16) "Profit" shall mean the difference between gross revenues and necessary and  
70 ordinary business expenses, including debt service, if any;

71 (17) "Real property" shall include all lands, including improvements and fixtures  
72 thereon, and property of any nature appurtenant thereto, or used in connection therewith, and  
73 every estate, interest and right, legal or equitable, therein, including terms for years and liens by  
74 way of judgment, mortgage or otherwise and the indebtedness secured by such liens.

99.320. As used in this law, the following terms mean:

2 (1) "Area of operation", in the case of a municipality, the area within the municipality  
3 except that the area of operation of a municipality under this law shall not include any area which  
4 lies within the territorial boundaries of another municipality unless a resolution has been adopted  
5 by the governing body of the other municipality declaring a need therefor; and in the case of a  
6 county, the area within the county, except that the area of operation in such case shall not include  
7 any area which lies within the territorial boundaries of a municipality unless a resolution has  
8 been adopted by the governing body of the municipality declaring a need therefor; and in the case  
9 of a regional authority, the area within the communities for which the regional authority is  
10 created, except that a regional authority shall not undertake a land clearance project within the  
11 territorial boundaries of any municipality unless a resolution has been adopted by the governing  
12 body of the municipality declaring that there is a need for the regional authority to undertake the  
13 land clearance project within such municipality; no authority shall operate in any area of  
14 operation in which another authority already established is undertaking or carrying out a land  
15 clearance project without the consent, by resolution, of the other authority;

16 (2) "Authority" or "land clearance for redevelopment authority", a public body corporate  
17 and politic created by or pursuant to section 99.330 or any other public body exercising the  
18 powers, rights and duties of such an authority;

19 (3) "Blighted area", ~~[an area which, by reason of the predominance of defective or~~  
20 ~~inadequate street layout, insanitary or unsafe conditions, deterioration of site improvements,~~  
21 ~~improper subdivision or obsolete platting, or the existence of conditions which endanger life or~~  
22 ~~property by fire and other causes, or any combination of such factors, retards the provision of~~  
23 ~~housing accommodations or constitutes an economic or social liability or a menace to the public~~  
24 ~~health, safety, morals, or welfare in its present condition and use] **the same meaning as**~~  
25 **provided under section 67.1401;**

26 (4) "Bond", any bonds, including refunding bonds, notes, interim certificates, debentures,  
27 or other obligations issued by an authority pursuant to this law;

28 (5) "Clerk", the clerk or other official of the municipality or county who is the custodian  
29 of the official records of the municipality or county;

30 (6) "Community", any county or municipality except that such term shall not include any  
31 municipality containing less than seventy-five thousand inhabitants until the governing body  
32 thereof shall have submitted the proposition of accepting the provisions of this law to the  
33 qualified voters therein at an election called and held as provided by law for the incurring of  
34 indebtedness by such municipality, and a majority of the voters voting at the election shall have  
35 voted in favor of such proposition;

36 (7) "Federal government", the United States of America or any agency or instrumentality,  
37 corporate or otherwise, of the United States of America;

38 (8) "Governing body", the city council, common council, board of aldermen or other  
39 legislative body charged with governing the municipality or the county commission or other  
40 legislative body charged with governing the county;

41 (9) "Insanitary area", an area in which there is a predominance of buildings and  
42 improvements which, by reason of dilapidation, deterioration, age or obsolescence, inadequate  
43 provision for ventilation, light, air sanitation or open spaces, high density of population and  
44 overcrowding of buildings, overcrowding of land, or the existence of conditions which endanger  
45 life or property by fire and other causes, or any combination of such factors, is conducive to ill  
46 health, transmission of disease, infant mortality, juvenile delinquency and crime or constitutes  
47 an economic or social liability and is detrimental to the public health, safety, morals, or welfare;

48 (10) "Land clearance project", any work or undertaking:

49 (a) To acquire blighted, or insanitary areas or portions thereof, including lands,  
50 structures, or improvements the acquisition of which is necessary or incidental to the proper  
51 clearance, development or redevelopment of the blighted or insanitary areas or to the prevention  
52 of the spread or recurrence of substandard or insanitary conditions or conditions of blight;

53 (b) To clear any such areas by demolition or removal of existing buildings, structures,  
54 streets, utilities or other improvements thereon and to install, construct or reconstruct streets,  
55 utilities, and site improvements essential to the preparation of sites for uses in accordance with  
56 a redevelopment plan;

57 (c) To sell, lease or otherwise make available land in such areas for residential,  
58 recreational, commercial, industrial or other use or for public use or to retain such land for public  
59 use, in accordance with a redevelopment plan;

60 (d) To develop, construct, reconstruct, rehabilitate, repair or improve residences, houses,  
61 buildings, structures and other facilities;

62 (e) The term "land clearance project" may also include the preparation of a  
63 redevelopment plan, the planning, survey and other work incident to a land clearance project and

64 the preparation of all plans and arrangements for carrying out a land clearance project and  
65 wherever the words "land clearance project" are used in this law, they shall also mean and  
66 include the words "urban renewal project" as defined in this section;

67 (11) "Mayor", the elected mayor of the city or the elected officer having the duties  
68 customarily imposed upon the mayor of the city or the executive head of a county;

69 (12) "Municipality", any incorporated city, town or village in the state;

70 (13) "Obligee", any bondholders, agents or trustees for any bondholders, lessor demising  
71 to the authority property used in connection with land clearance project, or any assignee or  
72 assignees of the lessor's interest or any part thereof, and the federal government when it is a party  
73 to any contract with the authority;

74 (14) "Person", any individual, firm, partnership, corporation, company, association, joint  
75 stock association, or body politic; and shall include any trustee, receiver, assignee, or other  
76 similar representative thereof;

77 (15) "Public body", the state or any municipality, county, township, board, commission,  
78 authority, district, or any other subdivision of the state;

79 (16) "Real property", all lands, including improvements and fixtures thereon, and  
80 property of any nature appurtenant thereto, or used in connection therewith, and every estate,  
81 interest and right, legal or equitable, therein, including terms for years and liens by way of  
82 judgment, mortgage or otherwise and the indebtedness secured by such liens;

83 (17) "Redeveloper", any person, partnership, or public or private corporation or agency  
84 which enters or proposes to enter into a redevelopment or rehabilitation or renewal contract;

85 (18) "Redevelopment contract", a contract entered into between an authority and  
86 redeveloper for the redevelopment, rehabilitation or renewal of an area in conformity with a  
87 redevelopment plan or an urban renewal plan;

88 (19) "Redevelopment", the process of undertaking and carrying out a redevelopment plan  
89 or urban renewal plan;

90 (20) "Redevelopment plan", a plan other than a preliminary or tentative plan for the  
91 acquisition, clearance, reconstruction, rehabilitation, renewal or future use of a land clearance  
92 project area, and shall be sufficiently complete to comply with subdivision (4) of section 99.430  
93 and shall be in compliance with a "workable program" for the city as a whole and wherever used  
94 in sections 99.300 to 99.660 the words "redevelopment plan" shall also mean and include "urban  
95 renewal plan" as defined in this section;

96 (21) "Urban renewal plan", a plan as it exists from time to time, for an urban renewal  
97 project, which plan shall conform to the general plan for the municipality as a whole; and shall  
98 be sufficiently complete to indicate such land acquisition, demolition and removal of structures,  
99 redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the area

100 of the urban renewal project, zoning and planning changes, if any, land uses, maximum densities,  
101 building requirements, and the relationship of the plan to definite local objectives respecting  
102 appropriate land uses, improved traffic, public transportation, public utilities, recreational and  
103 community facilities, and other public improvements; an urban renewal plan shall be prepared  
104 and approved pursuant to the same procedure as provided with respect to a redevelopment plan;

105 (22) "Urban renewal project", any surveys, plans, undertakings and activities for the  
106 elimination and for the prevention of the spread or development of insanitary, blighted,  
107 deteriorated or deteriorating areas and may involve any work or undertaking for such purpose  
108 constituting a land clearance project or any rehabilitation or conservation work, or any  
109 combination of such undertaking or work in accordance with an urban renewal project; for this  
110 purpose, "rehabilitation or conservation work" may include:

111 (a) Carrying out plans for a program of voluntary or compulsory repair and rehabilitation  
112 of buildings or other improvements;

113 (b) Acquisition of real property and demolition, removal or rehabilitation of buildings  
114 and improvements thereon where necessary to eliminate unhealthful, insanitary or unsafe  
115 conditions, lessen density, eliminate uneconomic, obsolete or other uses detrimental to the public  
116 welfare, or to otherwise remove or prevent the spread of blight or deterioration, or to provide  
117 land for needed public facilities;

118 (c) To develop, construct, reconstruct, rehabilitate, repair or improve residences, houses,  
119 buildings, structures and other facilities;

120 (d) Installation, construction, or reconstruction of streets, utilities, parks, playgrounds,  
121 and other improvements necessary for carrying out the objectives of the urban renewal project;  
122 and

123 (e) The disposition, for uses in accordance with the objectives of the urban renewal  
124 project, of any property or part thereof acquired in the area of the project; but such disposition  
125 shall be in the manner prescribed in this law for the disposition of property in a land clearance  
126 project area;

127 (23) "Workable program", an official plan of action, as it exists from time to time, for  
128 effectively dealing with the problem in insanitary, blighted, deteriorated or deteriorating areas  
129 within the community and for the establishment and preservation of a well-planned community  
130 with well-organized residential neighborhoods of decent homes and suitable living environment  
131 for adequate family life, for utilizing appropriate private and public resources to eliminate and  
132 prevent the development or spread of insanitary, blighted, deteriorated or deteriorating areas, to  
133 encourage needed urban rehabilitation, to provide for the redevelopment of blighted, insanitary,  
134 deteriorated and deteriorating areas, or to undertake such of the aforesaid activities or other

135 feasible community activities as may be suitably employed to achieve the objectives of such a  
136 program.

99.805. As used in sections 99.800 to 99.865, unless the context clearly requires  
2 otherwise, the following terms shall mean:

3 (1) "Blighted area", ~~[an area which, by reason of the predominance of defective or~~  
4 ~~inadequate street layout, insanitary or unsafe conditions, deterioration of site improvements,~~  
5 ~~improper subdivision or obsolete platting, or the existence of conditions which endanger life or~~  
6 ~~property by fire and other causes, or any combination of such factors, retards the provision of~~  
7 ~~housing accommodations or constitutes an economic or social liability or a menace to the public~~  
8 ~~health, safety, morals, or welfare in its present condition and use]~~ **the same meaning as**  
9 **provided under section 67.1401;**

10 (2) "Collecting officer", the officer of the municipality responsible for receiving and  
11 processing payments in lieu of taxes or economic activity taxes from taxpayers or the department  
12 of revenue;

13 (3) "Conservation area", any improved area within the boundaries of a redevelopment  
14 area located within the territorial limits of a municipality in which fifty percent or more of the  
15 structures in the area have an age of thirty-five years or more. Such an area is not yet a blighted  
16 area but is detrimental to the public health, safety, morals, or welfare and may become a blighted  
17 area because of any one or more of the following factors: dilapidation; obsolescence;  
18 deterioration; illegal use of individual structures; presence of structures below minimum code  
19 standards; abandonment; excessive vacancies; overcrowding of structures and community  
20 facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land  
21 coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of  
22 community planning. A conservation area shall meet at least three of the factors provided in this  
23 subdivision for projects approved on or after December 23, 1997;

24 (4) "Economic activity taxes", the total additional revenue from taxes which are imposed  
25 by a municipality and other taxing districts, and which are generated by economic activities  
26 within a redevelopment area over the amount of such taxes generated by economic activities  
27 within such redevelopment area in the calendar year prior to the adoption of the ordinance  
28 designating such a redevelopment area, while tax increment financing remains in effect, but  
29 excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by  
30 transient guests of hotels and motels, licenses, fees or special assessments. For redevelopment  
31 projects or redevelopment plans approved after December 23, 1997, if a retail establishment  
32 relocates within one year from one facility to another facility within the same county and the  
33 governing body of the municipality finds that the relocation is a direct beneficiary of tax  
34 increment financing, then for purposes of this definition, the economic activity taxes generated



35 by the retail establishment shall equal the total additional revenues from economic activity taxes  
36 which are imposed by a municipality or other taxing district over the amount of economic  
37 activity taxes generated by the retail establishment in the calendar year prior to its relocation to  
38 the redevelopment area;

39 (5) "Economic development area", any area or portion of an area located within the  
40 territorial limits of a municipality, which does not meet the requirements of subdivisions (1) and  
41 (3) of this section, and in which the governing body of the municipality finds that redevelopment  
42 will not be solely used for development of commercial businesses which unfairly compete in the  
43 local economy and is in the public interest because it will:

44 (a) Discourage commerce, industry or manufacturing from moving their operations to  
45 another state; or

46 (b) Result in increased employment in the municipality; or

47 (c) Result in preservation or enhancement of the tax base of the municipality;

48 (6) "Gambling establishment", an excursion gambling boat as defined in section 313.800  
49 and any related business facility including any real property improvements which are directly and  
50 solely related to such business facility, whose sole purpose is to provide goods or services to an  
51 excursion gambling boat and whose majority ownership interest is held by a person licensed to  
52 conduct gambling games on an excursion gambling boat or licensed to operate an excursion  
53 gambling boat as provided in sections 313.800 to 313.850. This subdivision shall be applicable  
54 only to a redevelopment area designated by ordinance adopted after December 23, 1997;

55 (7) "Greenfield area", any vacant, unimproved, or agricultural property that is located  
56 wholly outside the incorporated limits of a city, town, or village, or that is substantially  
57 surrounded by contiguous properties with agricultural zoning classifications or uses unless said  
58 property was annexed into the incorporated limits of a city, town, or village ten years prior to the  
59 adoption of the ordinance approving the redevelopment plan for such greenfield area;

60 (8) "Municipality", a city, village, or incorporated town or any county of this state. For  
61 redevelopment areas or projects approved on or after December 23, 1997, municipality applies  
62 only to cities, villages, incorporated towns or counties established for at least one year prior to  
63 such date;

64 (9) "Obligations", bonds, loans, debentures, notes, special certificates, or other evidences  
65 of indebtedness issued by a municipality to carry out a redevelopment project or to refund  
66 outstanding obligations;

67 (10) "Ordinance", an ordinance enacted by the governing body of a city, town, or village  
68 or a county or an order of the governing body of a county whose governing body is not  
69 authorized to enact ordinances;

70 (11) "Payment in lieu of taxes", those estimated revenues from real property in the area  
71 selected for a redevelopment project, which revenues according to the redevelopment project or  
72 plan are to be used for a private use, which taxing districts would have received had a  
73 municipality not adopted tax increment allocation financing, and which would result from levies  
74 made after the time of the adoption of tax increment allocation financing during the time the  
75 current equalized value of real property in the area selected for the redevelopment project  
76 exceeds the total initial equalized value of real property in such area until the designation is  
77 terminated pursuant to subsection 2 of section 99.850;

78 (12) "Redevelopment area", an area designated by a municipality, in respect to which the  
79 municipality has made a finding that there exist conditions which cause the area to be classified  
80 as a blighted area, a conservation area, an economic development area, an enterprise zone  
81 pursuant to sections 135.200 to 135.256, or a combination thereof, which area includes only  
82 those parcels of real property directly and substantially benefitted by the proposed redevelopment  
83 project;

84 (13) "Redevelopment plan", the comprehensive program of a municipality for  
85 redevelopment intended by the payment of redevelopment costs to reduce or eliminate those  
86 conditions, the existence of which qualified the redevelopment area as a blighted area,  
87 conservation area, economic development area, or combination thereof, and to thereby enhance  
88 the tax bases of the taxing districts which extend into the redevelopment area. Each  
89 redevelopment plan shall conform to the requirements of section 99.810;

90 (14) "Redevelopment project", any development project within a redevelopment area in  
91 furtherance of the objectives of the redevelopment plan; any such redevelopment project shall  
92 include a legal description of the area selected for the redevelopment project;

93 (15) "Redevelopment project costs" include the sum total of all reasonable or necessary  
94 costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan  
95 or redevelopment project, as applicable. Such costs include, but are not limited to, the following:

96 (a) Costs of studies, surveys, plans, and specifications;

97 (b) Professional service costs, including, but not limited to, architectural, engineering,  
98 legal, marketing, financial, planning or special services. Except the reasonable costs incurred  
99 by the commission established in section 99.820 for the administration of sections 99.800 to  
100 99.865, such costs shall be allowed only as an initial expense which, to be recoverable, shall be  
101 included in the costs of a redevelopment plan or project;

102 (c) Property assembly costs, including, but not limited to:

103 a. Acquisition of land and other property, real or personal, or rights or interests therein;

104 b. Demolition of buildings; and

105 c. The clearing and grading of land;

- 106 (d) Costs of rehabilitation, reconstruction, or repair or remodeling of existing buildings  
107 and fixtures;
- 108 (e) Initial costs for an economic development area;
- 109 (f) Costs of construction of public works or improvements;
- 110 (g) Financing costs, including, but not limited to, all necessary and incidental expenses  
111 related to the issuance of obligations, and which may include payment of interest on any  
112 obligations issued pursuant to sections 99.800 to 99.865 accruing during the estimated period  
113 of construction of any redevelopment project for which such obligations are issued and for not  
114 more than eighteen months thereafter, and including reasonable reserves related thereto;
- 115 (h) All or a portion of a taxing district's capital costs resulting from the redevelopment  
116 project necessarily incurred or to be incurred in furtherance of the objectives of the  
117 redevelopment plan and project, to the extent the municipality by written agreement accepts and  
118 approves such costs;
- 119 (i) Relocation costs to the extent that a municipality determines that relocation costs shall  
120 be paid or are required to be paid by federal or state law;
- 121 (j) Payments in lieu of taxes;
- 122 (16) "Special allocation fund", the fund of a municipality or its commission which  
123 contains at least two separate segregated accounts for each redevelopment plan, maintained by  
124 the treasurer of the municipality or the treasurer of the commission into which payments in lieu  
125 of taxes are deposited in one account, and economic activity taxes and other revenues are  
126 deposited in the other account;
- 127 (17) "Taxing districts", any political subdivision of this state having the power to levy  
128 taxes;
- 129 (18) "Taxing districts' capital costs", those costs of taxing districts for capital  
130 improvements that are found by the municipal governing bodies to be necessary and to directly  
131 result from the redevelopment project; and
- 132 (19) "Vacant land", any parcel or combination of parcels of real property not used for  
133 industrial, commercial, or residential buildings.

99.918. As used in sections 99.915 to 99.980, unless the context clearly requires  
2 otherwise, the following terms shall mean:

3 (1) "Authority", the downtown economic stimulus authority for a municipality, created  
4 pursuant to section 99.921;

5 (2) "Baseline year", the calendar year prior to the adoption of an ordinance by the  
6 municipality approving a development project; provided, however, if economic activity taxes or  
7 state sales tax revenues, from businesses other than any out-of-state business or businesses  
8 locating in the development project area, decrease in the development project area in the year

9 following the year in which the ordinance approving a development project is approved by a  
10 municipality, the baseline year may, at the option of the municipality approving the development  
11 project, be the year following the year of the adoption of the ordinance approving the  
12 development project. When a development project area is located within a county for which  
13 public and individual assistance has been requested by the governor pursuant to Section 401 of  
14 the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121, et seq.,  
15 for an emergency proclaimed by the governor pursuant to section 44.100 due to a natural disaster  
16 of major proportions that occurred after May 1, 2003, but prior to May 10, 2003, and the  
17 development project area is a central business district that sustained severe damage as a result  
18 of such natural disaster, as determined by the state emergency management agency, the baseline  
19 year may, at the option of the municipality approving the development project, be the calendar  
20 year in which the natural disaster occurred or the year following the year in which the natural  
21 disaster occurred, provided that the municipality adopts an ordinance approving the development  
22 project within one year after the occurrence of the natural disaster;

23 (3) "Blighted area", ~~[an area which, by reason of the predominance of defective or~~  
24 ~~inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements,~~  
25 ~~improper subdivision or obsolete platting, or the existence of conditions which endanger life or~~  
26 ~~property by fire and other causes, or any combination of such factors, retards the provision of~~  
27 ~~housing accommodations or constitutes an economic or social liability or a menace to the public~~  
28 ~~health, safety, morals, or welfare in its present condition and use]~~ **the same meaning as**  
29 **provided under section 67.1401;**

30 (4) "Central business district", the area at or near the historic core that is locally known  
31 as the "downtown" of a municipality that has a median household income of sixty-two thousand  
32 dollars or less, according to the United States Census Bureau's American Community Survey,  
33 based on the most recent of five-year period estimate data in which the final year of the estimate  
34 ends in either zero or five. In addition, at least fifty percent of existing buildings in this area will  
35 have been built in excess of thirty-five years prior or vacant lots that had prior structures built  
36 in excess of thirty-five years prior to the adoption of the ordinance approving the redevelopment  
37 plan. The historical land use emphasis of a central business district prior to redevelopment will  
38 have been a mixed use of business, commercial, financial, transportation, government, and  
39 multifamily residential uses;

40 (5) "Collecting officer", the officer of the municipality responsible for receiving and  
41 processing payments in lieu of taxes, economic activity taxes other than economic activity taxes  
42 which are local sales taxes, and other local taxes other than local sales taxes, and, for local sales  
43 taxes and state taxes, the director of revenue;

44 (6) "Conservation area", any improved area within the boundaries of a redevelopment  
45 area located within the territorial limits of a municipality in which fifty percent or more of the  
46 structures in the area have an age of thirty-five years or more, and such an area is not yet a  
47 blighted area but is detrimental to the public health, safety, morals, or welfare and may become  
48 a blighted area because of any one or more of the following factors: dilapidation; obsolescence;  
49 deterioration; illegal use of individual structures; presence of structures below minimum code  
50 standards; abandonment; excessive vacancies; overcrowding of structures and community  
51 facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land  
52 coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of  
53 community planning;

54 (7) "Development area", an area designated by a municipality in respect to which the  
55 municipality has made a finding that there exist conditions which cause the area to be classified  
56 as a blighted area or a conservation area, which area shall have the following characteristics:

57 (a) It includes only those parcels of real property directly and substantially benefitted by  
58 the proposed development plan;

59 (b) It can be renovated through one or more development projects;

60 (c) It is located in the central business district;

61 (d) It has generally suffered from declining population or property taxes for the  
62 twenty-year period immediately preceding the area's designation as a development area or has  
63 structures in the area fifty percent or more of which have an age of thirty-five years or more;

64 (e) It is contiguous, provided, however that a development area may include up to three  
65 noncontiguous areas selected for development projects, provided that each noncontiguous area  
66 meets the requirements of paragraphs (a) to (g) herein;

67 (f) The development area shall not exceed ten percent of the entire area of the  
68 municipality; and

69 (g) The development area shall not include any property that is located within the one  
70 hundred year flood plain, as designated by the Federal Emergency Management Agency flood  
71 delineation maps, unless such property is protected by a structure that is inspected and certified  
72 by the United States Army Corps of Engineers. This subdivision shall not apply to property  
73 within the one hundred year flood plain if the buildings on the property have been or will be  
74 flood proofed in accordance with the Federal Emergency Management Agency's standards for  
75 flood proofing and the property is located in a home rule city with more than one hundred  
76 fifty-one thousand five hundred but fewer than one hundred fifty-one thousand six hundred  
77 inhabitants. Only those buildings certified as being flood proofed in accordance with the Federal  
78 Emergency Management Agency's standards for flood proofing by the authority shall be eligible  
79 for the state sales tax increment and the state income tax increment. Subject to the limitation set

80 forth in this subdivision, the development area can be enlarged or modified as provided in  
81 section 99.951;

82 (8) "Development plan", the comprehensive program of a municipality to reduce or  
83 eliminate those conditions which qualified a development area as a blighted area or a  
84 conservation area, and to thereby enhance the tax bases of the taxing districts which extend into  
85 the development area through the reimbursement, payment, or other financing of development  
86 project costs in accordance with sections 99.915 to 99.980 and through the exercise of the  
87 powers set forth in sections 99.915 to 99.980. The development plan shall conform to the  
88 requirements of section 99.942;

89 (9) "Development project", any development project within a development area which  
90 constitutes a major initiative in furtherance of the objectives of the development plan, and any  
91 such development project shall include a legal description of the area selected for such  
92 development project;

93 (10) "Development project area", the area located within a development area selected  
94 for a development project;

95 (11) "Development project costs" include such costs to the development plan or a  
96 development project, as applicable, which are expended on public property, buildings, or  
97 rights-of-ways for public purposes to provide infrastructure to support a development project.  
98 Such costs shall only be allowed as an initial expense which, to be recoverable, must be included  
99 in the costs of a development plan or development project, except in circumstances of plan  
100 amendments approved by the Missouri development finance board and the department of  
101 economic development. Such infrastructure costs include, but are not limited to, the following:

102 (a) Costs of studies, appraisals, surveys, plans, and specifications;

103 (b) Professional service costs, including, but not limited to, architectural, engineering,  
104 legal, marketing, financial, planning, or special services;

105 (c) Property assembly costs, including, but not limited to, acquisition of land and other  
106 property, real or personal, or rights or interests therein, demolition of buildings, and the clearing  
107 and grading of land;

108 (d) Costs of rehabilitation, reconstruction, repair, or remodeling of existing public  
109 buildings and fixtures;

110 (e) Costs of construction of public works or improvements;

111 (f) Financing costs, including, but not limited to, all necessary expenses related to the  
112 issuance of obligations issued to finance all or any portion of the infrastructure costs of one or  
113 more development projects, and which may include capitalized interest on any such obligations  
114 and reasonable reserves related to any such obligations;

115 (g) All or a portion of a taxing district's capital costs resulting from any development  
116 project necessarily incurred or to be incurred in furtherance of the objectives of the development  
117 plan, to the extent the municipality by written agreement accepts and approves such  
118 infrastructure costs;

119 (h) Payments to taxing districts on a pro rata basis to partially reimburse taxes diverted  
120 by approval of a development project;

121 (i) State government costs, including, but not limited to, the reasonable costs incurred  
122 by the department of economic development, the department of revenue and the office of  
123 administration in evaluating an application for and administering state supplemental downtown  
124 development financing for a development project; and

125 (j) Endowment of positions at an institution of higher education which has a designation  
126 as a Carnegie Research I University including any campus of such university system, subject to  
127 the provisions of section 99.958. In addition, economic activity taxes and payment in lieu of  
128 taxes may be expended on or used to reimburse any reasonable or necessary costs incurred or  
129 estimated to be incurred in furtherance of a development plan or a development project;

130 (12) "Economic activity taxes", the total additional revenue from taxes which are  
131 imposed by the municipality and other taxing districts, and which are generated by economic  
132 activities within each development project area, which are not related to the relocation of any  
133 out-of-state business into the development project area, which exceed the amount of such taxes  
134 generated by economic activities within such development project area in the baseline year plus,  
135 in development project areas where the baseline year is the year following the year in which the  
136 development project is approved by the municipality pursuant to subdivision (2) of this section,  
137 the total revenue from taxes which are imposed by the municipality and other taxing districts  
138 which is generated by economic activities within the development project area resulting from the  
139 relocation of an out-of-state business or out-of-state businesses to the development project area  
140 pursuant to section 99.919; but excluding personal property taxes, taxes imposed on sales or  
141 charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees, or special  
142 assessments. If a retail establishment relocates within one year from one facility to another  
143 facility within the same county and the municipality or authority finds that the retail  
144 establishment is a direct beneficiary of development financing, then for purposes of this  
145 definition, the economic activity taxes generated by the retail establishment shall equal the total  
146 additional revenues from taxes which are imposed by the municipality and other taxing districts  
147 which are generated by the economic activities within the development project area which  
148 exceed the amount of taxes which are imposed by the municipality and other taxing districts  
149 which are generated by economic activities within the development project area generated by the  
150 retail establishment in the baseline year;

151 (13) "Gambling establishment", an excursion gambling boat as defined in section  
 152 313.800 and any related business facility including any real property improvements which are  
 153 directly and solely related to such business facility, whose sole purpose is to provide goods or  
 154 services to an excursion gambling boat and whose majority ownership interest is held by a person  
 155 licensed to conduct gambling games on an excursion gambling boat or licensed to operate an  
 156 excursion gambling boat as provided in sections 313.800 to 313.850;

157 (14) "Major initiative", a development project within a central business district that:

158 (a) Promotes tourism, cultural activities, arts, entertainment, education, research, arenas,  
 159 multipurpose facilities, libraries, ports, mass transit, museums, or conventions, the estimated cost  
 160 of which is in excess of the amount set forth below for the municipality, as applicable; or

161 (b) Promotes business location or expansion, the estimated cost of which is in excess of  
 162 the amount set forth below for the municipality, and is estimated to create at least as many new  
 163 jobs as set forth below within three years of such location or expansion:

| Population of Municipality | Estimated Project Cost | New Jobs Created |
|----------------------------|------------------------|------------------|
| 300,000 or more            | \$10,000,000           | at least 100     |
| 100,000 to 299,999         | \$5,000,000            | at least 50      |
| 50,001 to 99,999           | \$1,000,000            | at least 10      |
| 50,000 or less             | \$500,000              | at least 5;      |

169  
 170 (15) "Municipality", any city, village, incorporated town, or any county of this state  
 171 established on or prior to January 1, 2001, or a census-designated place in any county designated  
 172 by the county for purposes of sections 99.915 to 99.1060;

173 (16) "New job", any job defined as a new job pursuant to subdivision (11) of section  
 174 100.710;

175 (17) "Obligations", bonds, loans, debentures, notes, special certificates, or other  
 176 evidences of indebtedness issued by the municipality or authority, or other public entity  
 177 authorized to issue such obligations pursuant to sections 99.915 to 99.980 to carry out a  
 178 development project or to refund outstanding obligations;

179 (18) "Ordinance", an ordinance enacted by the governing body of any municipality or  
 180 an order of the governing body of such a municipal entity whose governing body is not  
 181 authorized to enact ordinances;

182 (19) "Other net new revenues", the amount of state sales tax increment or state income  
 183 tax increment or the combination of the amount of each such increment as determined under  
 184 section 99.960;



185 (20) "Out-of-state business", a business entity or operation that has been located outside  
186 of the state of Missouri prior to the time it relocates to a development project area;

187 (21) "Payment in lieu of taxes", those revenues from real property in each development  
188 project area, which taxing districts would have received had the municipality not adopted a  
189 development plan and the municipality not adopted development financing, and which would  
190 result from levies made after the time of the adoption of development financing during the time  
191 the current equalized value of real property in such development project area exceeds the total  
192 equalized value of real property in such development project area during the baseline year until  
193 development financing for such development project area expires or is terminated pursuant to  
194 sections 99.915 to 99.980;

195 (22) "Special allocation fund", the fund of the municipality or its authority required to  
196 be established pursuant to section 99.957 which special allocation fund shall contain at least four  
197 separate segregated accounts into which payments in lieu of taxes are deposited in one account,  
198 economic activity taxes are deposited in a second account, other net new revenues are deposited  
199 in a third account, and other revenues, if any, received by the authority or the municipality for  
200 the purpose of implementing a development plan or a development project are deposited in a  
201 fourth account;

202 (23) "State income tax increment", up to fifty percent of the estimate of the income tax  
203 due the state for salaries or wages paid to new employees in new jobs at a business located in the  
204 development project area and created by the development project. The estimate shall be a  
205 percentage of the gross payroll which percentage shall be based upon an analysis by the  
206 department of revenue of the practical tax rate on gross payroll as a factor in overall taxable  
207 income;

208 (24) "State sales tax increment", up to one-half of the incremental increase in the state  
209 sales tax revenue in the development project area. In no event shall the incremental increase  
210 include any amounts attributable to retail sales unless the Missouri development finance board  
211 and the department of economic development are satisfied based on information provided by the  
212 municipality or authority, and such entities have made a finding that a substantial portion of all  
213 but a de minimus portion of the sales tax increment attributable to retail sales is from new  
214 sources which did not exist in the state during the baseline year. The incremental increase for  
215 an existing facility shall be the amount by which the state sales tax revenue generated at the  
216 facility exceeds the state sales tax revenue generated at the facility in the baseline year. The  
217 incremental increase in development project areas where the baseline year is the year following  
218 the year in which the development project is approved by the municipality pursuant to  
219 subdivision (2) of this section shall be the state sales tax revenue generated by out-of-state  
220 businesses relocating into a development project area. The incremental increase for a Missouri

221 facility which relocates to a development project area shall be the amount by which the state  
222 sales tax revenue of the facility exceeds the state sales tax revenue for the facility in the calendar  
223 year prior to relocation;

224 (25) "State sales tax revenues", the general revenue portion of state sales tax revenues  
225 received pursuant to section 144.020, excluding sales taxes that are constitutionally dedicated,  
226 taxes deposited to the school district trust fund in accordance with section 144.701, sales and use  
227 taxes on motor vehicles, trailers, boats and outboard motors and future sales taxes earmarked by  
228 law;

229 (26) "Taxing district's capital costs", those costs of taxing districts for capital  
230 improvements that are found by the municipal governing bodies to be necessary and to directly  
231 result from a development project; and

232 (27) "Taxing districts", any political subdivision of this state having the power to levy  
233 taxes.

99.1082. As used in sections 99.1080 to 99.1092, unless the context clearly requires  
2 otherwise, the following terms shall mean:

3 (1) "Baseline year", the calendar year prior to the adoption of an ordinance by the  
4 municipality approving a redevelopment project; provided, however, if local sales tax revenues  
5 or state sales tax revenues, from businesses other than any out-of-state business or businesses  
6 locating in the redevelopment project area, decrease in the redevelopment project area in the year  
7 following the year in which the ordinance approving a redevelopment project is approved by a  
8 municipality, the baseline year may, at the option of the municipality approving the  
9 redevelopment project, be the year following the year of the adoption of the ordinance approving  
10 the redevelopment project. When a redevelopment project area is located within a county for  
11 which public and individual assistance has been requested by the governor under Section 401  
12 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121, et  
13 seq., for an emergency proclaimed by the governor under section 44.100 due to a natural disaster  
14 of major proportions and the redevelopment project area is a central business district that  
15 sustained severe damage as a result of such natural disaster, as determined by the state  
16 emergency management agency, the baseline year may, at the option of the municipality  
17 approving the redevelopment project, be the calendar year in which the natural disaster occurred  
18 or the year following the year in which the natural disaster occurred, provided that the  
19 municipality adopts an ordinance approving the redevelopment project within one year after the  
20 occurrence of the natural disaster;

21 (2) "Blighted area", ~~[an area which, by reason of the predominance of defective or~~  
22 ~~inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements,~~  
23 ~~improper subdivision or obsolete platting, or the existence of conditions which endanger life or~~

24 ~~property by fire and other causes, or any combination of such factors, retards the provision of~~  
25 ~~housing accommodations or constitutes an economic or social liability or a menace to the public~~  
26 ~~health, safety, morals, or welfare in its present condition and use] the same meaning as~~  
27 **provided under section 67.1401;**

28 (3) "Central business district", the area at or near the historic core that is locally known  
29 as the "downtown" of a municipality that has a median household income of sixty-two thousand  
30 dollars or less, according to the United States Census Bureau's American Community Survey,  
31 based on the most recent of five-year period estimate data in which the final year of the estimate  
32 ends in either zero or five. In addition, at least fifty percent of existing buildings in this area will  
33 have been built in excess of thirty-five years prior or vacant lots that had prior structures built  
34 in excess of thirty-five years prior to the adoption of the ordinance approving the redevelopment  
35 plan. The historical land use emphasis of a central business district prior to redevelopment will  
36 have been a mixed use of business, commercial, financial, transportation, government, and  
37 multifamily residential uses;

38 (4) "Conservation area", any improved area within the boundaries of a redevelopment  
39 area located within the territorial limits of a municipality in which fifty percent or more of the  
40 structures in the area have an age of thirty-five years or more, and such an area is not yet a  
41 blighted area but is detrimental to the public health, safety, morals, or welfare and may become  
42 a blighted area because of any one or more of the following factors: dilapidation; obsolescence;  
43 deterioration; illegal use of individual structures; presence of structures below minimum code  
44 standards; abandonment; excessive vacancies; overcrowding of structures and community  
45 facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land  
46 coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of  
47 community planning;

48 (5) "Gambling establishment", an excursion gambling boat as defined in section 313.800  
49 and any related business facility including any real property improvements which are directly and  
50 solely related to such business facility, whose sole purpose is to provide goods or services to an  
51 excursion gambling boat and whose majority ownership interest is held by a person licensed to  
52 conduct gambling games on an excursion gambling boat or licensed to operate an excursion  
53 gambling boat as provided in sections 313.800 to 313.850;

54 (6) "Local sales tax increment", at least fifty percent of the local sales tax revenue from  
55 taxes that are imposed by a municipality and its county, and that are generated by economic  
56 activities within a redevelopment area over the amount of such taxes generated by economic  
57 activities within such a redevelopment area in the calendar year prior to the adoption of the  
58 ordinance designating such a redevelopment area while financing under sections 99.1080 to  
59 99.1092 remains in effect, but excluding personal property taxes, taxes imposed on sales or

60 charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees, or special  
61 assessments; provided however, the governing body of any county may, by resolution, exclude  
62 any portion of any countywide sales tax of such county. For redevelopment projects or  
63 redevelopment plans approved after August 28, 2005, if a retail establishment relocates within  
64 one year from one facility within the same county and the governing body of the municipality  
65 finds that the retail establishment is a direct beneficiary of tax increment financing, then for the  
66 purposes of this subdivision, the economic activity taxes generated by the retail establishment  
67 shall equal the total additional revenues from economic activity taxes that are imposed by a  
68 municipality or other taxing district over the amount of economic activity taxes generated by the  
69 retail establishment in the calendar year prior to its relocation to the redevelopment area;

70 (7) "Local sales tax revenue", city sales tax revenues received under sections 94.500 to  
71 94.550 and county sales tax revenues received under sections 67.500 to 67.594;

72 (8) "Major initiative", a development project within a central business district which  
73 promotes tourism, cultural activities, arts, entertainment, education, research, arenas,  
74 multipurpose facilities, libraries, ports, mass transit, museums, economic development, or  
75 conventions for the municipality, and where the capital investment within the redevelopment  
76 project area is:

77 (a) At least five million dollars for a project area within a city having a population of one  
78 hundred thousand to one hundred ninety-nine thousand nine hundred and ninety-nine inhabitants;

79 (b) At least one million dollars for a project area within a city having a population of  
80 fifty thousand to ninety-nine thousand nine hundred and ninety-nine inhabitants;

81 (c) At least five hundred thousand dollars for a project area within a city having a  
82 population of ten thousand to forty-nine thousand nine hundred and ninety-nine inhabitants; or

83 (d) At least two hundred fifty thousand dollars for a project area within a city having a  
84 population of one to nine thousand nine hundred and ninety-nine inhabitants;

85 (9) "Municipality", any city or county of this state having fewer than two hundred  
86 thousand inhabitants;

87 (10) "Obligations", bonds, loans, debentures, notes, special certificates, or other  
88 evidences of indebtedness issued by the municipality or authority, or other public entity  
89 authorized to issue such obligations under sections 99.1080 to 99.1092 to carry out a  
90 redevelopment project or to refund outstanding obligations;

91 (11) "Ordinance", an ordinance enacted by the governing body of any municipality;

92 (12) "Redevelopment area", an area designated by a municipality in respect to which the  
93 municipality has made a finding that there exist conditions which cause the area to be classified  
94 as a blighted area or a conservation area, which area shall have the following characteristics:

95 (a) It can be renovated through one or more redevelopment projects;

96 (b) It is located in the central business district;

97 (c) The redevelopment area shall not exceed ten percent of the entire geographic area of  
98 the municipality. Subject to the limitation set forth in this subdivision, the redevelopment area  
99 can be enlarged or modified as provided in section 99.1088;

100 (13) "Redevelopment plan", the comprehensive program of a municipality to reduce or  
101 eliminate those conditions which qualify a redevelopment area as a blighted area or a  
102 conservation area, and to thereby enhance the tax bases of the taxing districts which extend into  
103 the redevelopment area through the reimbursement, payment, or other financing of  
104 redevelopment project costs in accordance with sections 99.1080 to 99.1092 and through  
105 application for and administration of downtown revitalization preservation program financing  
106 under sections 99.1080 to 99.1092;

107 (14) "Redevelopment project", any redevelopment project within a redevelopment area  
108 which constitutes a major initiative in furtherance of the objectives of the redevelopment plan,  
109 and any such redevelopment project shall include a legal description of the area selected for such  
110 redevelopment project;

111 (15) "Redevelopment project area", the area located within a redevelopment area selected  
112 for a redevelopment project;

113 (16) "Redevelopment project costs" include such costs to the redevelopment plan or a  
114 redevelopment project, as applicable, which are expended on public property, buildings, or  
115 rights-of-way for public purposes to provide infrastructure to support a redevelopment project,  
116 including facades. Such costs shall only be allowed as an initial expense which, to be  
117 recoverable, must be included in the costs of a redevelopment plan or redevelopment project,  
118 except in circumstances of plan amendments approved by the department of economic  
119 development. Such infrastructure costs include, but are not limited to, the following:

120 (a) Costs of studies, appraisals, surveys, plans, and specifications;

121 (b) Professional service costs, including, but not limited to, architectural, engineering,  
122 legal, marketing, financial, planning, or special services;

123 (c) Property assembly costs, including, but not limited to, acquisition of land and other  
124 property, real or personal, or rights or interests therein, demolition of buildings, and the clearing  
125 and grading of land;

126 (d) Costs of rehabilitation, reconstruction, repair, or remodeling of existing public  
127 buildings and fixtures;

128 (e) Costs of construction of public works or improvements;

129 (f) Financing costs, including, but not limited to, all necessary expenses related to the  
130 issuance of obligations issued to finance all or any portion of the infrastructure costs of one or

131 more redevelopment projects, and which may include capitalized interest on any such obligations  
132 and reasonable reserves related to any such obligations;

133 (g) All or a portion of a taxing district's capital costs resulting from any redevelopment  
134 project necessarily incurred or to be incurred in furtherance of the objectives of the  
135 redevelopment plan, to the extent the municipality by written agreement accepts and approves  
136 such infrastructure costs;

137 (h) Payments to taxing districts on a pro rata basis to partially reimburse taxes diverted  
138 by approval of a redevelopment project when all debt is retired;

139 (i) State government costs, including, but not limited to, the reasonable costs incurred  
140 by the department of economic development and the department of revenue in evaluating an  
141 application for and administering downtown revitalization preservation financing for a  
142 redevelopment project;

143 (17) "State sales tax increment", up to one-half of the incremental increase in the state  
144 sales tax revenue in the redevelopment project area provided the local taxing jurisdictions  
145 commit one-half of their local sales tax to paying for redevelopment project costs. The  
146 incremental increase shall be the amount by which the state sales tax revenue generated at the  
147 facility or within the redevelopment project area exceeds the state sales tax revenue generated  
148 at the facility or within the redevelopment project area in the baseline year. For redevelopment  
149 projects or redevelopment plans approved after August 28, 2005, if a retail establishment  
150 relocates within one year from one facility to another facility within the same county and the  
151 governing body of the municipality finds that the retail establishment is a direct beneficiary of  
152 tax increment financing, then for the purposes of this subdivision, the economic activity taxes  
153 generated by the retail establishment shall equal the total additional revenues from economic  
154 activity taxes that are imposed by a municipality or other taxing district over the amount of  
155 economic activity taxes generated by the retail establishment in the calendar year prior to the  
156 relocation to the redevelopment area;

157 (18) "State sales tax revenues", the general revenue portion of state sales tax revenues  
158 received under section 144.020, excluding sales taxes that are constitutionally dedicated, taxes  
159 deposited to the school district trust fund in accordance with section 144.701, sales and use taxes  
160 on motor vehicles, trailers, boats and outboard motors and future sales taxes earmarked by law;

161 (19) "Taxing district's capital costs", those costs of taxing districts for capital  
162 improvements that are found by the municipal governing bodies to be necessary and to directly  
163 result from a redevelopment project;

164 (20) "Taxing districts", any political subdivision of this state having the power to levy  
165 taxes.

100.310. As used in this law, the following words and terms mean:

- 2 (1) "Authority", a public body corporate and politic created by or pursuant to sections  
3 of this law or any other public body exercising the powers, rights and duties of such an authority;
- 4 (2) "Blighted area", ~~[an area which, by reason of the predominance of defective or~~  
5 ~~inadequate street layout, insanitary or unsafe conditions, deterioration of site improvements,~~  
6 ~~improper subdivision or obsolete platting, or the existence of conditions which endanger life or~~  
7 ~~property by fire and other causes, or any combination of such factors, retards the provision of~~  
8 ~~housing accommodations or constitutes an economic or social liability or a menace to the public~~  
9 ~~health, safety, morals or welfare in its present condition and use]~~ **the same meaning as provided**  
10 **under section 67.1401;**
- 11 (3) "Bond", any bonds, including refunding bonds, notes, interim certificates, debentures  
12 or other obligations issued by an authority pursuant to this law;
- 13 (4) "City", all cities of this state now having or which hereafter have four hundred  
14 thousand inhabitants or more according to the last decennial census of the United States or any  
15 city that has adopted a home rule charter pursuant to Section 19 of Article VI of the Missouri  
16 Constitution;
- 17 (5) "Clerk", the official custodian of records of the city;
- 18 (6) "Federal government", the United States of America or any agency or instrumentality  
19 corporate or otherwise of the United States of America;
- 20 (7) "Governing body", the city council, common council, board of aldermen or other  
21 legislative body charged with governing the municipality;
- 22 (8) "Industrial developer", any person, partnership or public or private corporation or  
23 agency which enters or proposes to enter into an industrial development contract;
- 24 (9) "Industrial development", the acquisition, clearance, grading, improving, preparing  
25 of land for industrial and commercial development and use and the construction, reconstruction,  
26 purchase, repair of industrial and commercial improvements, buildings, plants, additions, stores,  
27 shops, shopping centers, office buildings, hotels and motels and parking garages, multi-family  
28 housing facilities, warehouses, distribution centers, machines, fixtures, structures and other  
29 facilities relating to industrial and commercial use in blighted, insanitary or undeveloped  
30 industrial areas; and the existing merchants, residents, and present businesses shall have the first  
31 option to redevelop the area under this act;
- 32 (10) "Industrial development contract", a contract entered into between an authority and  
33 an industrial developer for the industrial development of an area in conformity with a plan;
- 34 (11) "Insanitary area", an area in which there is a predominance of buildings and  
35 improvements which, by reason of dilapidation, deterioration, age or obsolescence, inadequate  
36 provision for ventilation, light, air, sanitation or open spaces, high density of population and  
37 overcrowding of buildings, overcrowding of land, or the existence of conditions which endanger

38 life or property by fire and other causes, or any combination of such factors, is conducive to ill  
39 health, transmission of disease, infant mortality, juvenile delinquency and crime or constitutes  
40 an economic or social liability and is detrimental to the public health, safety, morals or welfare;

41 (12) "Obligee", any bondholders, agents or trustees for any bondholders, lessor demising  
42 to the authority property used in connection with industrial clearance project, or any assignee or  
43 assignees of the lessor's interest or any part thereof, and the federal government when it is a party  
44 to any contract with the authority;

45 (13) "Person", any individual, firm, partnership, corporation, company, association, joint  
46 stock association, or body politic; and shall include any trustee, receiver, assignee or other  
47 similar representative thereof;

48 (14) "Plan", a plan as it exists from time to time for the orderly carrying on of a project  
49 of industrial development;

50 (15) "Project", any work or undertaking:

51 (a) To acquire blighted, insanitary and undeveloped industrial areas or portions thereof  
52 including lands, structures or improvements the acquisition of which is necessary or incidental  
53 to the proper industrial development of the blighted, insanitary and undeveloped industrial areas  
54 or to prevent the spread or recurrence of conditions of blight, insanitary or undevelopment;

55 (b) To clear any such areas by demolition or removal of existing buildings, structures,  
56 streets, utilities or other improvements thereon and to install, construct or reconstruct streets,  
57 utilities and site improvements essential to the preparation of sites for uses in accordance with  
58 a plan;

59 (c) To construct, reconstruct, remodel, repair, improve, install improvements, buildings,  
60 plants, additions, stores, shops, shopping centers, office buildings, hotels and motels and parking  
61 garages, multi-family housing facilities, warehouses, distribution centers, machines, fixtures,  
62 structures and other facilities related to industrial and commercial uses;

63 (d) To sell, lease or otherwise make available land in such areas for industrial and  
64 commercial or related use or to retain such land for public use, in accordance with a plan;

65 (16) "Public body", the state or any municipality, county, township, board, commission,  
66 authority, district or any other subdivision of the state;

67 (17) "Real property", all lands, including improvements and fixtures thereon, and  
68 property of any nature appurtenant thereto, or used in connection therewith, and every estate,  
69 interest and right, legal or equitable, therein, including terms for years and liens by way of  
70 judgment, mortgage or otherwise and the indebtedness secured by such liens;

71 (18) "Undeveloped industrial area", any area which, by reason of defective and  
72 inadequate street layout or location of physical improvements, obsolescence and inadequate  
73 subdivision and platting contains vacant parcels of land not used economically; contains old,



74 decaying, obsolete buildings, plants, stores, shops, shopping centers, office buildings, hotels and  
75 motels and parking garages, warehouses, distribution centers, structures; contains buildings,  
76 plants, stores, shops, shopping centers, office buildings, hotels and motels and parking garages,  
77 multi-family housing facilities, warehouses, distribution centers and structures whose operation  
78 is not economically feasible; contains intermittent commercial and industrial structures in a  
79 primarily industrial or commercial area; or contains insufficient space for the expansion and  
80 efficient use of land for industrial plants and commercial uses amounting to conditions which  
81 retard economic or social growth, are economic waste and social liabilities and represent an  
82 inability to pay reasonable taxes to the detriment and injury of the public health, safety, morals  
83 and welfare.

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

2 (1) "Governing body", the board, body, or persons in which the powers of a political  
3 subdivision as a body corporate, or otherwise, are vested;  
4 (2) "Political subdivision", any agency or unit of this state, except counties and school  
5 districts, which now is, or hereafter shall be, authorized to levy taxes or empowered to cause  
6 taxes to be levied.

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

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

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

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

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

27           7. All reports or financial statements herein above mentioned shall be considered to be  
28 public records.

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

31           9. Any political subdivision that fails to timely submit a copy of the annual financial  
32 statement to the state auditor shall be subject to a fine of five hundred dollars per day.

33           10. The state auditor shall report any violation of subsection 9 of this section to the  
34 department of revenue. Upon notification from the state auditor's office that a political  
35 subdivision failed to timely submit a copy of the annual financial statement, the department of  
36 revenue shall notify such political subdivision by certified mail that the statement has not been  
37 received. Such notice shall clearly set forth the following:

38           (1) The name of the political subdivision;

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

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

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

48

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

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

60           12. Any ~~[transportation development district organized under sections 238.200 to~~  
61 ~~238.275 having]~~ **political subdivision that has** gross revenues of less than five thousand dollars

62 or that has not levied or collected sales or use taxes in the fiscal year for which the annual  
63 financial statement was not timely filed shall not be subject to the fine authorized in this section.

64 **13. If a failure to timely submit the annual financial statement is the result of fraud**  
65 **or other illegal conduct by an employee or officer of the political subdivision, the failure**  
66 **shall not be subject to a fine authorized under this section if the statement is filed within**  
67 **thirty days of the discovery of the fraud or illegal conduct. If a fine is assessed and paid**  
68 **prior to the filing of the statement, the department of revenue shall refund the fine upon**  
69 **notification from the political subdivision.**

70 **14. If a political subdivision has an outstanding balance for fines or penalties at the**  
71 **time it files its first annual financial statement after August 28, 2021, the director of**  
72 **revenue shall make a one-time downward adjustment to such outstanding balance in an**  
73 **amount that reduces the outstanding balance by ninety percent.**

74 **15. The director of revenue shall have the authority to make a one-time downward**  
75 **adjustment to any outstanding penalty imposed under this section on a political subdivision**  
76 **if the director determines the fine is uncollectable. The director of revenue may prescribe**  
77 **rules and regulations necessary to carry out the provisions of this subsection. Any rule or**  
78 **portion of a rule, as that term is defined in section 536.010, that is created under the**  
79 **authority delegated in this section shall become effective only if it complies with and is**  
80 **subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This**  
81 **section and chapter 536 are nonseverable, and if any of the powers vested with the general**  
82 **assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove**  
83 **and annul a rule are subsequently held unconstitutional, then the grant of rulemaking**  
84 **authority and any rule proposed or adopted after August 28, 2021, shall be invalid and**  
85 **void.**

86 **16. If a political subdivision with an outstanding balance for fines or penalties:**

87 **(1) Fails to file an annual financial statement after August 28, 2021, and before**  
88 **January 31, 2022; or**

89 **(2) Files an annual financial statement after August 28, 2021, and before January**  
90 **31, 2022, but fails to file any annual financial statement thereafter,**

91

92 **then the director of revenue shall notify the attorney general, and the attorney general shall**  
93 **initiate the process to dissolve the political subdivision under subsection 18 of this section.**

94 **17. If any resident of a political subdivision believes or knows that the political**  
95 **subdivision has failed to file the annual financial report required under subsection 2 of this**  
96 **section, the resident may file an affidavit with the attorney general that attests to the**  
97 **alleged failure. The attorney general shall evaluate the allegation and, if true, notify the**

98 political subdivision that it has thirty days to comply with subsection 2 of this section. If  
 99 the political subdivision still has not complied after thirty days, the attorney general shall  
 100 initiate the process to dissolve the political subdivision under subsection 18 of this section.

101 **18. (1) The question of whether a political subdivision subject to possible**  
 102 **dissolution under subsection 16 or 17 of this section shall be dissolved shall be submitted**  
 103 **to the voters of the political subdivision. The election upon the question shall be held on**  
 104 **the next general election day.**

105 **(2) No later than 5:00 p.m. on the tenth Tuesday prior to the election, the attorney**  
 106 **general shall notify the election authorities responsible for conducting the election**  
 107 **according to the provisions of section 115.125 and the county governing body in which the**  
 108 **political subdivision is located.**

109 **(3) The election authority shall give notice of the election for eight consecutive**  
 110 **weeks prior to the election by publication in a newspaper of general circulation published**  
 111 **in the political subdivision or, if there is no such newspaper in the political subdivision, in**  
 112 **the newspaper in the county published nearest the political subdivision.**

113 **(4) Any costs of submitting the question shall be paid by the political subdivision.**

114 **(5) The question shall be submitted to the voters of such city, town, or village in**  
 115 **substantially the following form:**

116 **The (city/town/village) of \_\_\_\_\_ (has an outstanding balance for fines**  
 117 **or penalties and) has failed to file an annual financial statement, as required**  
 118 **by law. Shall the (city/town/village) of \_\_\_\_\_ be dissolved?**

119  **YES**             **NO**

120

121 **Upon the affirmative vote of a majority of the qualified voters voting on the question, the**  
 122 **attorney general shall file an action to dissolve the political subdivision in the circuit court**  
 123 **with jurisdiction over the political subdivision.**

124 **19. In an action to dissolve a political subdivision, the circuit court shall order:**

125 **(1) The appointment of an administrative authority for the political subdivision,**  
 126 **which may be another political subdivision, the state, a qualified private party, or other**  
 127 **qualified entity;**

128 **(2) All financial and other institutions holding funds of the political subdivision, as**  
 129 **identified by the attorney general, to honor the directives of the administrative authority;**

130 **(3) The director of revenue or other party charged with distributing tax revenue,**  
 131 **as identified by the attorney general, to distribute the revenues and funds of the political**  
 132 **subdivision to the administrative authority; and**

133           **(4) The dissolution of the political subdivision and the effective date of the**  
134 **dissolution, taking into consideration a reasonable transition period.**

135

136 **The administrative authority shall administer all revenues under the name of the political**  
137 **subdivision or its agents and administer all funds collected on behalf of the political**  
138 **subdivision. The administrative authority shall use the revenues and existing funds to pay**  
139 **all debts and obligations of the political subdivision other than the penalties accrued under**  
140 **this section. The circuit court shall have ongoing jurisdiction to enforce its orders and**  
141 **carry out the remedies under this subsection.**

135.950. The following terms, whenever used in sections 135.950 to 135.970 mean:

2           (1) "Average wage", the new payroll divided by the number of new jobs;

3           (2) "Blighted area", ~~[an area which, by reason of the predominance of defective or~~  
4 ~~inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements,~~  
5 ~~improper subdivision or obsolete platting, or the existence of conditions which endanger life or~~  
6 ~~property by fire and other causes, or any combination of such factors, retards the provision of~~  
7 ~~housing accommodations or constitutes an economic or social liability or a menace to the public~~  
8 ~~health, safety, morals, or welfare in its present condition and use. The term "blighted area" shall~~  
9 ~~also include any area which produces or generates or has the potential to produce or generate~~  
10 ~~electrical energy from a renewable energy resource, and which, by reason of obsolescence,~~  
11 ~~decadence, blight, dilapidation, deteriorating or inadequate site improvements, substandard~~  
12 ~~conditions, the predominance or defective or inadequate street layout, unsanitary or unsafe~~  
13 ~~conditions, improper subdivision or obsolete platting, or the existence of conditions which~~  
14 ~~endanger the life or property by fire or other means, or any combination of such factors, is~~  
15 ~~underutilized, unutilized, or diminishes the economic usefulness of the land, improvements, or~~  
16 ~~lock and dam site within such area for the production, generation, conversion, and conveyance~~  
17 ~~of electrical energy from a renewable energy resource]~~ **the same meaning as provided under**  
18 **section 67.1401;**

19           (3) "Board", an enhanced enterprise zone board established pursuant to section 135.957;

20           (4) "Commencement of commercial operations" shall be deemed to occur during the first  
21 taxable year for which the new business facility is first put into use by the taxpayer in the  
22 enhanced business enterprise in which the taxpayer intends to use the new business facility;

23           (5) "County average wage", the average wages in each county as determined by the  
24 department for the most recently completed full calendar year. However, if the computed county  
25 average wage is above the statewide average wage, the statewide average wage shall be deemed  
26 the county average wage for such county for the purpose of determining eligibility. The  
27 department shall publish the county average wage for each county at least annually.

28 Notwithstanding the provisions of this subdivision to the contrary, for any taxpayer that in  
29 conjunction with their project is relocating employees from a Missouri county with a higher  
30 county average wage, such taxpayer shall obtain the endorsement of the governing body of the  
31 community from which jobs are being relocated or the county average wage for their project shall  
32 be the county average wage for the county from which the employees are being relocated;

33 (6) "Department", the department of economic development;

34 (7) "Director", the director of the department of economic development;

35 (8) "Employee", a person employed by the enhanced business enterprise that is scheduled  
36 to work an average of at least one thousand hours per year, and such person at all times has  
37 health insurance offered to him or her, which is partially paid for by the employer;

38 (9) "Enhanced business enterprise", an industry or one of a cluster of industries that is  
39 either:

40 (a) Identified by the department as critical to the state's economic security and growth;  
41 or

42 (b) Will have an impact on industry cluster development, as identified by the governing  
43 authority in its application for designation of an enhanced enterprise zone and approved by the  
44 department; but excluding gambling establishments (NAICS industry group 7132), retail trade  
45 (NAICS sectors 44 and 45), educational services (NAICS sector 61), religious organizations  
46 (NAICS industry group 8131), public administration (NAICS sector 92), and food and drinking  
47 places (NAICS subsector 722), however, notwithstanding provisions of this section to the  
48 contrary, headquarters or administrative offices of an otherwise excluded business may qualify  
49 for benefits if the offices serve a multistate territory. In the event a national, state, or regional  
50 headquarters operation is not the predominant activity of a project facility, the new jobs and  
51 investment of such headquarters operation is considered eligible for benefits under this section  
52 if the other requirements are satisfied. Service industries may be eligible only if a majority of  
53 its annual revenues will be derived from out of the state;

54 (10) "Existing business facility", any facility in this state which was employed by the  
55 taxpayer claiming the credit in the operation of an enhanced business enterprise immediately  
56 prior to an expansion, acquisition, addition, or replacement;

57 (11) "Facility", any building used as an enhanced business enterprise located within an  
58 enhanced enterprise zone, including the land on which the facility is located and all machinery,  
59 equipment, and other real and depreciable tangible personal property acquired for use at and  
60 located at or within such facility and used in connection with the operation of such facility;

61 (12) "Facility base employment", the greater of the number of employees located at the  
62 facility on the date of the notice of intent, or for the twelve-month period prior to the date of the  
63 notice of intent, the average number of employees located at the facility, or in the event the

64 project facility has not been in operation for a full twelve-month period, the average number of  
65 employees for the number of months the facility has been in operation prior to the date of the  
66 notice of intent;

67 (13) "Facility base payroll", the total amount of taxable wages paid by the enhanced  
68 business enterprise to employees of the enhanced business enterprise located at the facility in the  
69 twelve months prior to the notice of intent, not including the payroll of owners of the enhanced  
70 business enterprise unless the enhanced business enterprise is participating in an employee stock  
71 ownership plan. For the purposes of calculating the benefits under this program, the amount of  
72 base payroll shall increase each year based on the consumer price index or other comparable  
73 measure, as determined by the department;

74 (14) "Governing authority", the body holding primary legislative authority over a county  
75 or incorporated municipality;

76 (15) "Megaproject", any manufacturing or assembling facility, approved by the  
77 department for construction and operation within an enhanced enterprise zone, which satisfies  
78 the following:

79 (a) The new capital investment is projected to exceed three hundred million dollars over  
80 a period of eight years from the date of approval by the department;

81 (b) The number of new jobs is projected to exceed one thousand over a period of eight  
82 years beginning on the date of approval by the department;

83 (c) The average wage of new jobs to be created shall exceed the county average wage;

84 (d) The taxpayer shall offer health insurance to all new jobs and pay at least eighty  
85 percent of such insurance premiums; and

86 (e) An acceptable plan of repayment, to the state, of the tax credits provided for the  
87 megaproject has been provided by the taxpayer;

88 (16) "NAICS", the 1997 edition of the North American Industry Classification System  
89 as prepared by the Executive Office of the President, Office of Management and Budget. Any  
90 NAICS sector, subsector, industry group or industry identified in this section shall include its  
91 corresponding classification in subsequent federal industry classification systems;

92 (17) "New business facility", a facility that does not produce or generate electrical energy  
93 from a renewable energy resource and satisfies the following requirements:

94 (a) Such facility is employed by the taxpayer in the operation of an enhanced business  
95 enterprise. Such facility shall not be considered a new business facility in the hands of the  
96 taxpayer if the taxpayer's only activity with respect to such facility is to lease it to another person  
97 or persons. If the taxpayer employs only a portion of such facility in the operation of an  
98 enhanced business enterprise, and leases another portion of such facility to another person or  
99 persons or does not otherwise use such other portions in the operation of an enhanced business

100 enterprise, the portion employed by the taxpayer in the operation of an enhanced business  
101 enterprise shall be considered a new business facility, if the requirements of paragraphs (b), (c),  
102 and (d) of this subdivision are satisfied;

103 (b) Such facility is acquired by, or leased to, the taxpayer after December 31, 2004. A  
104 facility shall be deemed to have been acquired by, or leased to, the taxpayer after December 31,  
105 2004, if the transfer of title to the taxpayer, the transfer of possession pursuant to a binding  
106 contract to transfer title to the taxpayer, or the commencement of the term of the lease to the  
107 taxpayer occurs after December 31, 2004;

108 (c) If such facility was acquired by the taxpayer from another taxpayer and such facility  
109 was employed immediately prior to the acquisition by another taxpayer in the operation of an  
110 enhanced business enterprise, the operation of the same or a substantially similar enhanced  
111 business enterprise is not continued by the taxpayer at such facility; and

112 (d) Such facility is not a replacement business facility, as defined in subdivision (27) of  
113 this section;

114 (18) "New business facility employee", an employee of the taxpayer in the operation of  
115 a new business facility during the taxable year for which the credit allowed by section 135.967  
116 is claimed, except that truck drivers and rail and barge vehicle operators and other operators of  
117 rolling stock for hire shall not constitute new business facility employees;

118 (19) "New business facility investment", the value of real and depreciable tangible  
119 personal property, acquired by the taxpayer as part of the new business facility, which is used by  
120 the taxpayer in the operation of the new business facility, during the taxable year for which the  
121 credit allowed by 135.967 is claimed, except that trucks, truck-trailers, truck semitrailers, rail  
122 vehicles, barge vehicles, aircraft and other rolling stock for hire, track, switches, barges, bridges,  
123 tunnels, and rail yards and spurs shall not constitute new business facility investments. The total  
124 value of such property during such taxable year shall be:

125 (a) Its original cost if owned by the taxpayer; or

126 (b) Eight times the net annual rental rate, if leased by the taxpayer. The net annual rental  
127 rate shall be the annual rental rate paid by the taxpayer less any annual rental rate received by the  
128 taxpayer from subrentals. The new business facility investment shall be determined by dividing  
129 by twelve the sum of the total value of such property on the last business day of each calendar  
130 month of the taxable year. If the new business facility is in operation for less than an entire  
131 taxable year, the new business facility investment shall be determined by dividing the sum of the  
132 total value of such property on the last business day of each full calendar month during the  
133 portion of such taxable year during which the new business facility was in operation by the  
134 number of full calendar months during such period;



135 (20) "New job", the number of employees located at the facility that exceeds the facility  
136 base employment less any decrease in the number of the employees at related facilities below the  
137 related facility base employment. No job that was created prior to the date of the notice of intent  
138 shall be deemed a new job;

139 (21) "Notice of intent", a form developed by the department which is completed by the  
140 enhanced business enterprise and submitted to the department which states the enhanced  
141 business enterprise's intent to hire new jobs and request benefits under such program;

142 (22) "Related facility", a facility operated by the enhanced business enterprise or a  
143 related company in this state that is directly related to the operation of the project facility;

144 (23) "Related facility base employment", the greater of:

145 (a) The number of employees located at all related facilities on the date of the notice of  
146 intent; or

147 (b) For the twelve-month period prior to the date of the notice of intent, the average  
148 number of employees located at all related facilities of the enhanced business enterprise or a  
149 related company located in this state;

150 (24) "Related taxpayer":

151 (a) A corporation, partnership, trust, or association controlled by the taxpayer;

152 (b) An individual, corporation, partnership, trust, or association in control of the  
153 taxpayer; or

154 (c) A corporation, partnership, trust or association controlled by an individual,  
155 corporation, partnership, trust or association in control of the taxpayer. "Control of a  
156 corporation" shall mean ownership, directly or indirectly, of stock possessing at least fifty  
157 percent of the total combined voting power of all classes of stock entitled to vote, "control of a  
158 partnership or association" shall mean ownership of at least fifty percent of the capital or profits  
159 interest in such partnership or association, and "control of a trust" shall mean ownership, directly  
160 or indirectly, of at least fifty percent of the beneficial interest in the principal or income of such  
161 trust; ownership shall be determined as provided in Section 318 of the Internal Revenue Code  
162 of 1986, as amended;

163 (25) "Renewable energy generation zone", an area which has been found, by a resolution  
164 or ordinance adopted by the governing authority having jurisdiction of such area, to be a blighted  
165 area and which contains land, improvements, or a lock and dam site which is unutilized or  
166 underutilized for the production, generation, conversion, and conveyance of electrical energy  
167 from a renewable energy resource;

168 (26) "Renewable energy resource", shall include:

169 (a) Wind;

170 (b) Solar thermal sources or photovoltaic cells and panels;

- 171 (c) Dedicated crops grown for energy production;  
172 (d) Cellulosic agricultural residues;  
173 (e) Plant residues;  
174 (f) Methane from landfills, agricultural operations, or wastewater treatment;  
175 (g) Thermal depolymerization or pyrolysis for converting waste material to energy;  
176 (h) Clean and untreated wood such as pallets;  
177 (i) Hydroelectric power, which shall include electrical energy produced or generated by  
178 hydroelectric power generating equipment, as such term is defined in section 137.010;  
179 (j) Fuel cells using hydrogen produced by one or more of the renewable resources  
180 provided in paragraphs (a) to (i) of this subdivision; or  
181 (k) Any other sources of energy, not including nuclear energy, that are certified as  
182 renewable by rule by the department of economic development;
- 183 (27) "Replacement business facility", a facility otherwise described in subdivision (17)  
184 of this section, hereafter referred to in this subdivision as "new facility", which replaces another  
185 facility, hereafter referred to in this subdivision as "old facility", located within the state, which  
186 the taxpayer or a related taxpayer previously operated but discontinued operating on or before  
187 the close of the first taxable year for which the credit allowed by this section is claimed. A new  
188 facility shall be deemed to replace an old facility if the following conditions are met:
- 189 (a) The old facility was operated by the taxpayer or a related taxpayer during the  
190 taxpayer's or related taxpayer's taxable period immediately preceding the taxable year in which  
191 commencement of commercial operations occurs at the new facility; and  
192 (b) The old facility was employed by the taxpayer or a related taxpayer in the operation  
193 of an enhanced business enterprise and the taxpayer continues the operation of the same or  
194 substantially similar enhanced business enterprise at the new facility. Notwithstanding the  
195 preceding provisions of this subdivision, a facility shall not be considered a replacement business  
196 facility if the taxpayer's new business facility investment, as computed in subdivision (19) of this  
197 section, in the new facility during the tax period for which the credits allowed in section 135.967  
198 are claimed exceed one million dollars and if the total number of employees at the new facility  
199 exceeds the total number of employees at the old facility by at least two;
- 200 (28) "Same or substantially similar enhanced business enterprise", an enhanced business  
201 enterprise in which the nature of the products produced or sold, or activities conducted, are  
202 similar in character and use or are produced, sold, performed, or conducted in the same or similar  
203 manner as in another enhanced business enterprise.

137.115. 1. All other laws to the contrary notwithstanding, the assessor or the assessor's  
2 deputies in all counties of this state including the City of St. Louis shall annually make a list of  
3 all real and tangible personal property taxable in the assessor's city, county, town or district.

4 Except as otherwise provided in subsection 3 of this section and section 137.078, the assessor  
5 shall annually assess all personal property at thirty-three and one-third percent of its true value  
6 in money as of January first of each calendar year. The assessor shall annually assess all real  
7 property, including any new construction and improvements to real property, and possessory  
8 interests in real property at the percent of its true value in money set in subsection 5 of this  
9 section. The true value in money of any possessory interest in real property in subclass (3),  
10 where such real property is on or lies within the ultimate airport boundary as shown by a federal  
11 airport layout plan, as defined by 14 CFR 151.5, of a commercial airport having a FAR Part 139  
12 certification and owned by a political subdivision, shall be the otherwise applicable true value  
13 in money of any such possessory interest in real property, less the total dollar amount of costs  
14 paid by a party, other than the political subdivision, towards any new construction or  
15 improvements on such real property completed after January 1, 2008, and which are included in  
16 the above-mentioned possessory interest, regardless of the year in which such costs were incurred  
17 or whether such costs were considered in any prior year. The assessor shall annually assess all  
18 real property in the following manner: new assessed values shall be determined as of January  
19 first of each odd-numbered year and shall be entered in the assessor's books; those same assessed  
20 values shall apply in the following even-numbered year, except for new construction and  
21 property improvements which shall be valued as though they had been completed as of January  
22 first of the preceding odd-numbered year. The assessor may call at the office, place of doing  
23 business, or residence of each person required by this chapter to list property, and require the  
24 person to make a correct statement of all taxable tangible personal property owned by the person  
25 or under his or her care, charge or management, taxable in the county. On or before January first  
26 of each even-numbered year, the assessor shall prepare and submit a two-year assessment  
27 maintenance plan to the county governing body and the state tax commission for their respective  
28 approval or modification. The county governing body shall approve and forward such plan or  
29 its alternative to the plan to the state tax commission by February first. If the county governing  
30 body fails to forward the plan or its alternative to the plan to the state tax commission by  
31 February first, the assessor's plan shall be considered approved by the county governing body.  
32 If the state tax commission fails to approve a plan and if the state tax commission and the  
33 assessor and the governing body of the county involved are unable to resolve the differences, in  
34 order to receive state cost-share funds outlined in section 137.750, the county or the assessor  
35 shall petition the administrative hearing commission, by May first, to decide all matters in  
36 dispute regarding the assessment maintenance plan. Upon agreement of the parties, the matter  
37 may be stayed while the parties proceed with mediation or arbitration upon terms agreed to by  
38 the parties. The final decision of the administrative hearing commission shall be subject to  
39 judicial review in the circuit court of the county involved. In the event a valuation of subclass

40 (1) real property within any county with a charter form of government, or within a city not within  
41 a county, is made by a computer, computer-assisted method or a computer program, the burden  
42 of proof, supported by clear, convincing and cogent evidence to sustain such valuation, shall be  
43 on the assessor at any hearing or appeal. In any such county, unless the assessor proves  
44 otherwise, there shall be a presumption that the assessment was made by a computer,  
45 computer-assisted method or a computer program. Such evidence shall include, but shall not be  
46 limited to, the following:

47 (1) The findings of the assessor based on an appraisal of the property by generally  
48 accepted appraisal techniques; and

49 (2) The purchase prices from sales of at least three comparable properties and the address  
50 or location thereof. As used in this subdivision, the word "comparable" means that:

51 (a) Such sale was closed at a date relevant to the property valuation; and

52 (b) Such properties are not more than one mile from the site of the disputed property,  
53 except where no similar properties exist within one mile of the disputed property, the nearest  
54 comparable property shall be used. Such property shall be within five hundred square feet in size  
55 of the disputed property, and resemble the disputed property in age, floor plan, number of rooms,  
56 and other relevant characteristics.

57 2. Assessors in each county of this state and the City of St. Louis may send personal  
58 property assessment forms through the mail.

59 3. The following items of personal property shall each constitute separate subclasses of  
60 tangible personal property and shall be assessed and valued for the purposes of taxation at the  
61 following percentages of their true value in money:

62 (1) Grain and other agricultural crops in an unmanufactured condition, one-half of one  
63 percent;

64 (2) Livestock, twelve percent;

65 (3) Farm machinery, twelve percent;

66 (4) Motor vehicles which are eligible for registration as and are registered as historic  
67 motor vehicles pursuant to section 301.131 and aircraft which are at least twenty-five years old  
68 and which are used solely for noncommercial purposes and are operated less than ~~[fifty]~~ **one**  
69 **hundred** hours per year or aircraft that are home built from a kit, five percent;

70 (5) Poultry, twelve percent; and

71 (6) Tools and equipment used for pollution control and tools and equipment used in  
72 retooling for the purpose of introducing new product lines or used for making improvements to  
73 existing products by any company which is located in a state enterprise zone and which is  
74 identified by any standard industrial classification number cited in subdivision (7) of section  
75 135.200, twenty-five percent.

76 4. The person listing the property shall enter a true and correct statement of the property,  
77 in a printed blank prepared for that purpose. The statement, after being filled out, shall be signed  
78 and either affirmed or sworn to as provided in section 137.155. The list shall then be delivered  
79 to the assessor.

80 5. (1) All subclasses of real property, as such subclasses are established in Section 4(b)  
81 of Article X of the Missouri Constitution and defined in section 137.016, shall be assessed at the  
82 following percentages of true value:

- 83 (a) For real property in subclass (1), nineteen percent;
- 84 (b) For real property in subclass (2), twelve percent; and
- 85 (c) For real property in subclass (3), thirty-two percent.

86 (2) A taxpayer may apply to the county assessor, or, if not located within a county, then  
87 the assessor of such city, for the reclassification of such taxpayer's real property if the use or  
88 purpose of such real property is changed after such property is assessed under the provisions of  
89 this chapter. If the assessor determines that such property shall be reclassified, he or she shall  
90 determine the assessment under this subsection based on the percentage of the tax year that such  
91 property was classified in each subclassification.

92 6. Manufactured homes, as defined in section 700.010, which are actually used as  
93 dwelling units shall be assessed at the same percentage of true value as residential real property  
94 for the purpose of taxation. The percentage of assessment of true value for such manufactured  
95 homes shall be the same as for residential real property. If the county collector cannot identify  
96 or find the manufactured home when attempting to attach the manufactured home for payment  
97 of taxes owed by the manufactured home owner, the county collector may request the county  
98 commission to have the manufactured home removed from the tax books, and such request shall  
99 be granted within thirty days after the request is made; however, the removal from the tax books  
100 does not remove the tax lien on the manufactured home if it is later identified or found. For  
101 purposes of this section, a manufactured home located in a manufactured home rental park, rental  
102 community or on real estate not owned by the manufactured home owner shall be considered  
103 personal property. For purposes of this section, a manufactured home located on real estate  
104 owned by the manufactured home owner may be considered real property.

105 7. Each manufactured home assessed shall be considered a parcel for the purpose of  
106 reimbursement pursuant to section 137.750, unless the manufactured home is **deemed to be** real  
107 estate as defined in subsection 7 of section 442.015 and assessed as a realty improvement to the  
108 existing real estate parcel.

109 8. Any amount of tax due and owing based on the assessment of a manufactured home  
110 shall be included on the personal property tax statement of the manufactured home owner unless  
111 the manufactured home is **deemed to be** real estate ~~[as defined in]~~ **under** subsection 7 of section

112 442.015, in which case the amount of tax due and owing on the assessment of the manufactured  
113 home as a realty improvement to the existing real estate parcel shall be included on the real  
114 property tax statement of the real estate owner.

115 9. The assessor of each county and each city not within a county shall use the trade-in  
116 value published in the October issue of the National Automobile Dealers' Association Official  
117 Used Car Guide, or its successor publication, as the recommended guide of information for  
118 determining the true value of motor vehicles described in such publication. The assessor shall  
119 not use a value that is greater than the average trade-in value in determining the true value of the  
120 motor vehicle without performing a physical inspection of the motor vehicle. For vehicles two  
121 years old or newer from a vehicle's model year, the assessor may use a value other than average  
122 without performing a physical inspection of the motor vehicle. In the absence of a listing for a  
123 particular motor vehicle in such publication, the assessor shall use such information or  
124 publications which in the assessor's judgment will fairly estimate the true value in money of the  
125 motor vehicle.

126 10. Before the assessor may increase the assessed valuation of any parcel of subclass (1)  
127 real property by more than fifteen percent since the last assessment, excluding increases due to  
128 new construction or improvements, the assessor shall conduct a physical inspection of such  
129 property.

130 11. If a physical inspection is required, pursuant to subsection 10 of this section, the  
131 assessor shall notify the property owner of that fact in writing and shall provide the owner clear  
132 written notice of the owner's rights relating to the physical inspection. If a physical inspection  
133 is required, the property owner may request that an interior inspection be performed during the  
134 physical inspection. The owner shall have no less than thirty days to notify the assessor of a  
135 request for an interior physical inspection.

136 12. A physical inspection, as required by subsection 10 of this section, shall include, but  
137 not be limited to, an on-site personal observation and review of all exterior portions of the land  
138 and any buildings and improvements to which the inspector has or may reasonably and lawfully  
139 gain external access, and shall include an observation and review of the interior of any buildings  
140 or improvements on the property upon the timely request of the owner pursuant to subsection 11  
141 of this section. Mere observation of the property via a drive-by inspection or the like shall not  
142 be considered sufficient to constitute a physical inspection as required by this section.

143 13. A county or city collector may accept credit cards as proper form of payment of  
144 outstanding property tax or license due. No county or city collector may charge surcharge for  
145 payment by credit card which exceeds the fee or surcharge charged by the credit card bank,  
146 processor, or issuer for its service. A county or city collector may accept payment by electronic  
147 transfers of funds in payment of any tax or license and charge the person making such payment

148 a fee equal to the fee charged the county by the bank, processor, or issuer of such electronic  
149 payment.

150           14. Any county or city not within a county in this state may, by an affirmative vote of  
151 the governing body of such county, opt out of the provisions of this section and sections 137.073,  
152 138.060, and 138.100 as enacted by house bill no. 1150 of the ninety-first general assembly,  
153 second regular session and section 137.073 as modified by house committee substitute for senate  
154 substitute for senate committee substitute for senate bill no. 960, ninety-second general  
155 assembly, second regular session, for the next year of the general reassessment, prior to January  
156 first of any year. No county or city not within a county shall exercise this opt-out provision after  
157 implementing the provisions of this section and sections 137.073, 138.060, and 138.100 as  
158 enacted by house bill no. 1150 of the ninety-first general assembly, second regular session and  
159 section 137.073 as modified by house committee substitute for senate substitute for senate  
160 committee substitute for senate bill no. 960, ninety-second general assembly, second regular  
161 session, in a year of general reassessment. For the purposes of applying the provisions of this  
162 subsection, a political subdivision contained within two or more counties where at least one of  
163 such counties has opted out and at least one of such counties has not opted out shall calculate a  
164 single tax rate as in effect prior to the enactment of house bill no. 1150 of the ninety-first general  
165 assembly, second regular session. A governing body of a city not within a county or a county  
166 that has opted out under the provisions of this subsection may choose to implement the  
167 provisions of this section and sections 137.073, 138.060, and 138.100 as enacted by house bill  
168 no. 1150 of the ninety-first general assembly, second regular session, and section 137.073 as  
169 modified by house committee substitute for senate substitute for senate committee substitute for  
170 senate bill no. 960, ninety-second general assembly, second regular session, for the next year of  
171 general reassessment, by an affirmative vote of the governing body prior to December thirty-first  
172 of any year.

173           15. The governing body of any city of the third classification with more than twenty-six  
174 thousand three hundred but fewer than twenty-six thousand seven hundred inhabitants located  
175 in any county that has exercised its authority to opt out under subsection 14 of this section may  
176 levy separate and differing tax rates for real and personal property only if such city bills and  
177 collects its own property taxes or satisfies the entire cost of the billing and collection of such  
178 separate and differing tax rates. Such separate and differing rates shall not exceed such city's tax  
179 rate ceiling.

180           16. Any portion of real property that is available as reserve for strip, surface, or coal  
181 mining for minerals for purposes of excavation for future use or sale to others that has not been  
182 bonded and permitted under chapter 444 shall be assessed based upon how the real property is  
183 currently being used. Any information provided to a county assessor, state tax commission, state

184 agency, or political subdivision responsible for the administration of tax policies shall, in the  
 185 performance of its duties, make available all books, records, and information requested, except  
 186 such books, records, and information as are by law declared confidential in nature, including  
 187 individually identifiable information regarding a specific taxpayer or taxpayer's mine property.  
 188 For purposes of this subsection, "mine property" shall mean all real property that is in use or  
 189 readily available as a reserve for strip, surface, or coal mining for minerals for purposes of  
 190 excavation for current or future use or sale to others that has been bonded and permitted under  
 191 chapter 444.

143.011. 1. **For tax years ending before January 1, 2022**, a tax is hereby imposed for  
 2 every ~~taxable~~ tax year on the Missouri taxable income of every resident. The tax shall be  
 3 determined by applying the tax table or the rate provided in section 143.021, which is based upon  
 4 the following rates:

| If the Missouri taxable income is: | The tax is:                              |
|------------------------------------|--|
| Not over \$1,000.00                | 1 1/2% of the Missouri taxable income    |
| Over \$1,000 but not over \$2,000  | \$15 plus 2% of excess over \$1,000      |
| Over \$2,000 but not over \$3,000  | \$35 plus 2 1/2% of excess over \$2,000  |
| Over \$3,000 but not over \$4,000  | \$60 plus 3% of excess over \$3,000      |
| Over \$4,000 but not over \$5,000  | \$90 plus 3 1/2% of excess over \$4,000  |
| Over \$5,000 but not over \$6,000  | \$125 plus 4% of excess over \$5,000     |
| Over \$6,000 but not over \$7,000  | \$165 plus 4 1/2% of excess over \$6,000 |
| Over \$7,000 but not over \$8,000  | \$210 plus 5% of excess over \$7,000     |
| Over \$8,000 but not over \$9,000  | \$260 plus 5 1/2% of excess over \$8,000 |
| Over \$9,000                       | \$315 plus 6% of excess over \$9,000     |

16  
 17 2. (1) Beginning with the 2017 calendar year, **and ending immediately after the 2021**  
 18 **calendar year**, the top rate of tax under subsection 1 of this section may be reduced over a  
 19 period of years. Each reduction in the top rate of tax shall be by one-tenth of a percent and no  
 20 more than one reduction shall occur in a calendar year. No more than five reductions shall be  
 21 made under this subsection. Reductions in the rate of tax shall take effect on January first of a  
 22 calendar year and such reduced rates shall continue in effect until the next reduction occurs.

23 (2) A reduction in the rate of tax shall only occur if the amount of net general revenue  
 24 collected in the previous fiscal year exceeds the highest amount of net general revenue collected



25 in any of the three fiscal years prior to such fiscal year by at least one hundred fifty million  
26 dollars.

27 (3) Any modification of tax rates under this subsection shall only apply to tax years that  
28 begin on or after a modification takes effect.

29 (4) The director of the department of revenue shall, by rule, adjust the tax tables under  
30 subsection 1 of this section to effectuate the provisions of this subsection. The bracket for  
31 income subject to the top rate of tax shall be eliminated once the top rate of tax has been reduced  
32 to five and one-half percent, and the top remaining rate of tax shall apply to all income in excess  
33 of the income in the second highest remaining income bracket.

34 3. (1) In addition to the rate reductions under subsection 2 of this section, beginning  
35 with the 2019 calendar year, **and ending immediately after the 2021 calendar year**, the top  
36 rate of tax under subsection 1 of this section shall be reduced by four-tenths of one percent. Such  
37 reduction in the rate of tax shall take effect on January first of the 2019 calendar year.

38 (2) The modification of tax rates under this subsection shall only apply to tax years that  
39 begin on or after the date the modification takes effect.

40 (3) The director of the department of revenue shall, by rule, adjust the tax tables under  
41 subsection 1 of this section to effectuate the provisions of this subsection.

42 4. Beginning with the 2017 calendar year, **and ending immediately after the 2021**  
43 **calendar year**, the brackets of Missouri taxable income identified in subsection 1 of this section  
44 shall be adjusted annually by the percent increase in inflation. The director shall publish such  
45 brackets annually beginning on or after October 1, 2016. Modifications to the brackets shall take  
46 effect on January first of each calendar year and shall apply to tax years beginning on or after the  
47 effective date of the new brackets.

48 5. As used in this section, the following terms mean:

49 (1) "CPI", the Consumer Price Index for All Urban Consumers for the United States as  
50 reported by the Bureau of Labor Statistics, or its successor index;

51 (2) "CPI for the preceding calendar year", the average of the CPI as of the close of the  
52 twelve month period ending on August thirty-first of such calendar year;

53 (3) "Net general revenue collected", all revenue deposited into the general revenue fund,  
54 less refunds and revenues originally deposited into the general revenue fund but designated by  
55 law for a specific distribution or transfer to another state fund;

56 (4) "Percent increase in inflation", the percentage, if any, by which the CPI for the  
57 preceding calendar year exceeds the CPI for the year beginning September 1, 2014, and ending  
58 August 31, 2015.

59           **6. For all tax years beginning on or after January 1, 2022, a tax is hereby imposed**  
60 **for every tax year on the Missouri taxable income of every resident at a rate of five and**  
61 **three-tenths percent, subject to the provisions of section 143.021.**

143.031. 1. A ~~[husband and wife]~~ **married couple** who ~~[file]~~ **files** a joint federal income  
2 tax return shall file a combined return. A ~~[husband and wife]~~ **married couple** who ~~[do]~~ **does**  
3 not file a joint federal income tax return shall not file a combined return.

4           2. The Missouri combined taxable income on a combined return shall include all of the  
5 income and deductions of ~~[the husband and wife]~~ **both spouses**. ~~[The Missouri taxable income~~  
6 ~~of each spouse shall be an amount that is the same proportion of their Missouri combined taxable~~  
7 ~~income as the Missouri adjusted gross income of that spouse bears to their Missouri combined~~  
8 ~~adjusted gross income.]~~

9           3. The tax of each spouse shall be determined by the application of either section  
10 143.021 or section 143.041 depending upon whether such spouse is a resident or nonresident.  
11 Their Missouri combined tax shall be the sum of the tax applicable to each spouse.

143.131. 1. The Missouri standard deduction may be deducted in determining Missouri  
2 taxable income of a resident individual unless the taxpayer or his spouse has elected to itemize  
3 his deduction as provided in section 143.141.

4           2. The Missouri standard deduction shall be the allowable federal standard deduction  
5 **plus three thousand dollars.**

143.151. For all ~~[taxable]~~ **tax** years beginning before January 1, 1999, a resident shall  
2 be allowed a deduction of one thousand two hundred dollars for himself or herself and one  
3 thousand two hundred dollars for his or her spouse if he or she is entitled to a deduction for such  
4 personal exemptions for federal income tax purposes. For all ~~[taxable]~~ **tax** years beginning on  
5 or after January 1, 1999, **and ending on or before December 31, 2021**, a resident shall be  
6 allowed a deduction of two thousand one hundred dollars for himself or herself and two thousand  
7 one hundred dollars for his or her spouse if he or she is entitled to a deduction for such personal  
8 exemptions for federal income tax purposes, provided that the exemption amount as defined  
9 under 26 U.S.C. Section 151 is not zero. For all tax years beginning on or after January 1, 2017,  
10 **and ending on or before December 31, 2021**, a resident with a Missouri adjusted gross income  
11 of less than twenty thousand dollars shall be allowed an additional deduction of five hundred  
12 dollars for himself or herself and an additional five hundred dollars for his or her spouse if he  
13 or she is entitled to a deduction for such personal exemptions for federal income tax purposes,  
14 provided that the exemption amount as defined under 26 U.S.C. Section 151 is not zero, and his  
15 or her spouse's Missouri adjusted gross income is less than twenty thousand dollars.

143.161. 1. For all ~~[taxable]~~ **tax** years beginning after December 31, 1997, **and ending**  
2 **on or before December 31, 2021**, a resident may deduct one thousand two hundred dollars for

3 each dependent for whom such resident is entitled to a dependency exemption deduction for  
4 federal income tax purposes, provided that the exemption amount as defined under 26 U.S.C.  
5 Section 151 is not zero. In the case of a dependent who has attained sixty-five years of age on  
6 or before the last day of the **[taxable] tax** year, if such dependent resides in the taxpayer's home  
7 or the dependent's own home or if such dependent does not receive Medicaid or state funding  
8 while residing in a facility licensed pursuant to chapter 198, the taxpayer may deduct an  
9 additional one thousand dollars.

10 2. For all **[taxable] tax** years beginning on or after January 1, 1999, **and ending on or**  
11 **before December 31, 2021**, a resident who qualifies as an unmarried head of household or as  
12 a surviving spouse for federal income tax purposes may deduct an additional one thousand four  
13 hundred dollars.

14 3. For all **[taxable] tax** years beginning on or after January 1, 2015, for each birth for  
15 which a certificate of birth resulting in stillbirth has been issued under section 193.165, a  
16 taxpayer may claim the exemption under subsection 1 of this section only in the **[taxable] tax**  
17 year in which the stillbirth occurred, if the child otherwise would have been a member of the  
18 taxpayer's household.

19 4. **For all tax years beginning on or after January 1, 2022, a resident may deduct**  
20 **one thousand dollars for each dependent who has attained sixty-five years of age on or**  
21 **before the last day of the tax year if such dependent resides in the taxpayer's home or the**  
22 **dependent's own home or if such dependent does not receive Medicaid or state funding**  
23 **while residing in a facility licensed under chapter 198.**

144.605. The following words and phrases as used in sections 144.600 to 144.745 mean  
2 and include:

3 (1) "Calendar quarter", the period of three consecutive calendar months ending on March  
4 thirty-first, June thirtieth, September thirtieth or December thirty-first;

5 (2) "Engages in business activities within this state" includes:

6 (a) Maintaining or having a franchisee or licensee operating under the seller's trade name  
7 in this state if the franchisee or licensee is required to collect sales tax pursuant to sections  
8 144.010 to 144.525;

9 (b) Soliciting sales or taking orders by sales agents or traveling representatives;

10 (c) A vendor is presumed to engage in business activities within this state if any person,  
11 other than a common carrier acting in its capacity as such, that has substantial nexus with this  
12 state:

13 a. Sells a similar line of products as the vendor and does so under the same or a similar  
14 business name;

15           b. Maintains an office, distribution facility, warehouse, or storage place, or similar place  
16 of business in the state to facilitate the delivery of property or services sold by the vendor to the  
17 vendor's customers;

18           c. Delivers, installs, assembles, or performs maintenance services for the vendor's  
19 customers within the state;

20           d. Facilitates the vendor's delivery of property to customers in the state by allowing the  
21 vendor's customers to pick up property sold by the vendor at an office, distribution facility,  
22 warehouse, storage place, or similar place of business maintained by the person in the state; or

23           e. Conducts any other activities in the state that are significantly associated with the  
24 vendor's ability to establish and maintain a market in the state for the sales;

25           (d) The presumption in paragraph (c) **of this subdivision** may be rebutted by  
26 demonstrating that the person's activities in the state are not significantly associated with the  
27 vendor's ability to establish or maintain a market in this state for the vendor's sales;

28           (e) Notwithstanding paragraph (c) **of this subdivision**, a vendor shall be presumed to  
29 engage in business activities within this state if the vendor enters into an agreement with one or  
30 more residents of this state under which the resident, for a commission or other consideration,  
31 directly or indirectly refers potential customers, whether by a link on an internet website, an in-  
32 person oral presentation, telemarketing, or otherwise, to the vendor, if the cumulative gross  
33 receipts from sales by the vendor to customers in the state who are referred to the vendor by all  
34 residents with this type of an agreement with the vendor is in excess of ten thousand dollars  
35 during the preceding twelve months;

36           (f) The presumption in paragraph (e) **of this subdivision** may be rebutted by submitting  
37 proof that the residents with whom the vendor has an agreement did not engage in any activity  
38 within the state that was significantly associated with the vendor's ability to establish or maintain  
39 the vendor's market in the state during the preceding twelve months. Such proof may consist of  
40 sworn written statements from all of the residents with whom the vendor has an agreement  
41 stating that they did not engage in any solicitation in the state on behalf of the vendor during the  
42 preceding year provided that such statements were provided and obtained in good faith; **and**

43           **(g) a. Beginning January 1, 2022, a vendor also engages in business activities**  
44 **within this state if the cumulative gross receipts from the vendor's sales of tangible**  
45 **personal property to purchasers for the purpose of storage, use, or consumption in this**  
46 **state equal one hundred thousand dollars or more during any twelve-month period, as**  
47 **determined under subparagraph b. of this paragraph;**

48           **b. Following the close of each calendar quarter, a vendor shall determine whether**  
49 **the vendor met the requirements provided under subparagraph a. of this paragraph**  
50 **during the twelve-month period ending on the last day of the preceding calendar quarter.**

51 **If the vendor met such requirements for any such twelve-month period, such vendor shall**  
52 **collect and remit applicable use tax in future transactions, in lieu of any obligations to**  
53 **collect or remit such use tax that would otherwise be attributed to any other party to a**  
54 **transaction, as provided under section 144.635, for a period of no less than twelve months,**  
55 **beginning no more than three months following the close of the preceding calendar**  
56 **quarter, and such vendor shall continue to collect and remit the use tax for as long as the**  
57 **vendor is engaged in business activities in this state, as provided under this paragraph, or**  
58 **otherwise maintains a substantial nexus with this state;**

59 **c. The provisions of this paragraph shall apply only to vendors that do not have a**  
60 **physical presence within the state and if the associated sales of tangible personal property**  
61 **occurred with use of the internet;**

62 **d. Any department that has the constitutional authority to collect sales or use tax**  
63 **under Article IV of the Constitution of Missouri may remit any moneys collected under this**  
64 **paragraph to the department of revenue, and such moneys shall be deposited into the state**  
65 **general revenue fund established under section 33.543;**

66 **e. Any vendor that meets the provisions of subparagraph c. of this paragraph shall**  
67 **not be subject to local use tax imposed by a political subdivision in this state enacted prior**  
68 **to January 1, 2022, except in such political subdivisions in which a majority of voters have**  
69 **approved expanding a use tax that was enacted prior to January 1, 2022; and**

70 **f. Notwithstanding the provisions of this paragraph, political subdivisions that wish**  
71 **to enact a new local use tax but do not wish to subject vendors that meet the provisions of**  
72 **subparagraph c. of this paragraph to such local use tax may enact such local use tax**  
73 **according to the applicable provisions of sections 144.757 to 144.761, or any other**  
74 **applicable local use tax authorization provisions, and may exclude such vendors from such**  
75 **new tax;**

76 (3) "Maintains a place of business in this state" includes maintaining, occupying, or  
77 using, permanently or temporarily, directly or indirectly, by whatever name called, an office,  
78 place of distribution, sales or sample room or place, warehouse or storage place, or other place  
79 of business in this state, whether owned or operated by the vendor or by any other person other  
80 than a common carrier acting in its capacity as such;

81 (4) "Person", any individual, firm, copartnership, joint venture, association, corporation,  
82 municipal or private, and whether organized for profit or not, state, county, political subdivision,  
83 state department, commission, board, bureau or agency, except the state transportation  
84 department, estate, trust, business trust, receiver or trustee appointed by the state or federal court,  
85 syndicate, or any other group or combination acting as a unit, and the plural as well as the  
86 singular number;

87 (5) "Purchase", the acquisition of the ownership of, or title to, tangible personal property,  
88 through a sale, as defined herein, for the purpose of storage, use or consumption in this state;

89 (6) "Purchaser", any person who is the recipient for a valuable consideration of any sale  
90 of tangible personal property acquired for use, storage or consumption in this state;

91 (7) "Sale", any transfer, barter or exchange of the title or ownership of tangible personal  
92 property, or the right to use, store or consume the same, for a consideration paid or to be paid,  
93 and any transaction whether called leases, rentals, bailments, loans, conditional sales or  
94 otherwise, and notwithstanding that the title or possession of the property or both is retained for  
95 security. For the purpose of this law the place of delivery of the property to the purchaser, user,  
96 storer or consumer is deemed to be the place of sale, whether the delivery be by the vendor or  
97 by common carriers, private contractors, mails, express, agents, salesmen, solicitors, hawkers,  
98 representatives, consignors, peddlers, canvassers or otherwise;

99 (8) "Sales price", the consideration including the charges for services, except charges  
100 incident to the extension of credit, paid or given, or contracted to be paid or given, by the  
101 purchaser to the vendor for the tangible personal property, including any services that are a part  
102 of the sale, valued in money, whether paid in money or otherwise, and any amount for which  
103 credit is given to the purchaser by the vendor, without any deduction therefrom on account of the  
104 cost of the property sold, the cost of materials used, labor or service cost, losses or any other  
105 expenses whatsoever, except that cash discounts allowed and taken on sales shall not be included  
106 and "sales price" shall not include the amount charged for property returned by customers upon  
107 rescission of the contract of sales when the entire amount charged therefor is refunded either in  
108 cash or credit or the amount charged for labor or services rendered in installing or applying the  
109 property sold, the use, storage or consumption of which is taxable pursuant to sections 144.600  
110 to 144.745. The sales price shall not include usual and customary delivery charges that are  
111 separately stated. In determining the amount of tax due pursuant to sections 144.600 to 144.745,  
112 any charge incident to the extension of credit shall be specifically exempted;

113 (9) "Selling agent", every person acting as a representative of a principal, when such  
114 principal is not registered with the director of revenue of the state of Missouri for the collection  
115 of the taxes imposed pursuant to sections 144.010 to 144.525 or sections 144.600 to 144.745 and  
116 who receives compensation by reason of the sale of tangible personal property of the principal,  
117 if such property is to be stored, used, or consumed in this state;

118 (10) "Storage", any keeping or retention in this state of tangible personal property  
119 purchased from a vendor, except property for sale or property that is temporarily kept or retained  
120 in this state for subsequent use outside the state;

121 (11) "Tangible personal property", all items subject to the Missouri sales tax as provided  
122 in subdivisions (1) and (3) of **subsection 1** of section 144.020;

123 (12) "Taxpayer", any person remitting the tax or who should remit the tax levied by  
124 sections 144.600 to 144.745;

125 (13) "Use", the exercise of any right or power over tangible personal property incident  
126 to the ownership or control of that property, except that it does not include the temporary storage  
127 of property in this state for subsequent use outside the state, or the sale of the property in the  
128 regular course of business;

129 (14) "Vendor", every person engaged in making sales of tangible personal property by  
130 mail order, by advertising, by agent or peddling tangible personal property, soliciting or taking  
131 orders for sales of tangible personal property, for storage, use or consumption in this state, all  
132 salesmen, solicitors, hawkers, representatives, consignees, peddlers or canvassers, as agents of  
133 the dealers, distributors, consignors, supervisors, principals or employers under whom they  
134 operate or from whom they obtain the tangible personal property sold by them, and every person  
135 who maintains a place of business in this state, maintains a stock of goods in this state, or  
136 engages in business activities within this state and every person who engages in this state in the  
137 business of acting as a selling agent for persons not otherwise vendors as defined in this  
138 subdivision. Irrespective of whether they are making sales on their own behalf or on behalf of  
139 the dealers, distributors, consignors, supervisors, principals or employers, they must be regarded  
140 as vendors and the dealers, distributors, consignors, supervisors, principals or employers must  
141 be regarded as vendors for the purposes of sections 144.600 to 144.745.

**144.637. 1. The director of revenue shall provide and maintain a database that  
2 describes boundary changes for all taxing jurisdictions and the effective dates of such  
3 changes for the use of vendors collecting the tax imposed under sections 144.600 to 144.746.**

**4 2. For the identification of counties and cities, codes corresponding to the rates shall  
5 be provided according to Federal Information Processing Standards (FIPS) as developed  
6 by the National Institute of Standards and Technology. For the identification of all other  
7 jurisdictions, codes corresponding to the rates shall be in a format determined by the  
8 director.**

**9 3. The director shall provide and maintain address-based boundary database  
10 records for assigning taxing jurisdictions and associated rates. The database records shall  
11 meet the requirements developed under the federal Mobile Telecommunications Sourcing  
12 Act, 4 U.S.C. Section 119(a). If a vendor is unable to determine the applicable rate and  
13 jurisdiction using an address-based database record after exercising due diligence, the  
14 vendor may apply the nine-digit zip code designation applicable to a purchase. If a  
15 nine-digit zip code designation is not available for a street address or if a vendor is unable  
16 to determine the nine-digit zip code designation applicable to a purchase after exercising  
17 due diligence to determine the designation, the vendor may apply the rate for the five-digit**

18 zip code area. The lowest combined tax rate imposed in the zip code area shall apply if the  
19 area includes more than one tax rate in any level of taxing jurisdiction. For the purposes  
20 of this section, there shall be a rebuttable presumption that a vendor has exercised due  
21 diligence if the vendor has attempted to determine the tax rate and jurisdiction by utilizing  
22 software approved by the director and makes the assignment from the address and zip  
23 code information applicable to the purchase. The database records shall be in the same  
24 approved format as the database under this section and shall meet the requirements  
25 developed under the federal Mobile Telecommunications Sourcing Act, 4 U.S.C. Section  
26 119(a). If the director certifies an address-based database provided by a third party, a  
27 vendor may use such database in place of the database records provided for in this  
28 subsection.

29 4. The electronic databases provided for in subsections 1 and 3 of this section shall  
30 be in downloadable format as determined by the director. The databases may be directly  
31 provided by the director or provided by a third party as designated by the director. The  
32 databases shall be provided at no cost to the users of the databases.

33 5. The provisions of subsection 3 of this section shall not apply if the purchased  
34 product is received by the purchaser at the business location of the vendor.

35 6. No vendor shall be liable for reliance upon erroneous data provided by the  
36 director on tax rates, boundaries, or taxing jurisdiction assignments.

144.752. 1. For the purposes of this section, the following terms shall mean:

2 (1) "Marketplace facilitator", a person who:

3 (a) Facilitates a retail sale by a marketplace seller by listing or advertising for sale  
4 by the marketplace seller in any forum tangible personal property or services that are  
5 subject to tax under this chapter; and

6 (b) Either directly or indirectly through agreements or arrangements with third  
7 parties collects payment from the purchaser and transmits such payment to the  
8 marketplace seller, regardless of whether the marketplace facilitator receives compensation  
9 or other consideration in exchange for its services.

10

11 A "marketplace facilitator" is a seller and shall comply with the provisions of this chapter.

12 A "marketplace facilitator" shall not include a person who provides internet advertising  
13 services or product listing and does not collect payment from the purchaser and transmit  
14 payment to the marketplace seller; is a third-party financial institution appointed by a  
15 marketplace seller or a marketplace facilitator to handle various forms of payment  
16 transactions, such as processing credit cards and debit cards, and whose sole activity with  
17 respect to marketplace sales is to facilitate the payment transactions between two parties;



18 or is a provider of travel agency services and whose sole activity with respect to  
19 marketplace sales is to provide such services. For the purposes of this subdivision, "travel  
20 agency services" means facilitating, for a commission, fee, or other consideration, vacation  
21 or travel packages; rental car or other travel reservations; tickets for domestic or foreign  
22 travel by air, rail, ship, bus, or other medium of transportation; or hotel or other lodging  
23 accommodations;

24 (2) "Marketplace seller", a seller that makes sales through any electronic  
25 marketplace operated by a marketplace facilitator;

26 (3) "Person", any individual, firm, copartnership, joint venture, association, or  
27 corporation, municipal or private, whether organized for profit or not; any state, county,  
28 political subdivision, state department, commission, board, bureau, or agency, except the  
29 department of transportation; any estate, trust, business trust, or receiver or trustee  
30 appointed by a state or federal court; or any syndicate or other group or combination  
31 acting as a unit;

32 (4) "Purchaser", any person who is the recipient for a valuable consideration of  
33 any sale of tangible personal property acquired for use, storage, or consumption in this  
34 state;

35 (5) "Retail sale", the same meaning as defined under sections 144.010 and 144.011,  
36 excluding motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats, and  
37 outboard motors required to be titled under the laws of the state and subject to tax under  
38 subdivision (9) of subsection 1 of section 144.020;

39 (6) "Seller", a person selling or furnishing tangible personal property or rendering  
40 services on the receipts from which a tax is imposed under section 144.020.

41 2. (1) By no later than January 1, 2022, marketplace facilitators that reach the  
42 threshold provided under paragraph (g) of subdivision (2) of section 144.605 shall register  
43 with the department to collect and remit sales and use tax, as applicable, on sales made  
44 through the marketplace facilitator's marketplace by or on behalf of a marketplace seller  
45 that are purchased in or delivered into the state, whether by the marketplace facilitator or  
46 another person, and regardless of whether the marketplace seller for whom sales are  
47 facilitated possesses a retail sales license or would have been required to collect sales or use  
48 tax had the sale not been facilitated by the marketplace facilitator. Such retail sales shall  
49 include those made directly by the marketplace facilitator and shall also include those  
50 retail sales made by marketplace sellers through the marketplace facilitator's marketplace.  
51 The collection and reporting requirements of this subsection shall not apply to retail sales  
52 other than those made through a marketplace facilitator's marketplace. Nothing in this  
53 section shall be construed to limit or prohibit the ability of a marketplace facilitator and

54 a marketplace seller to enter into agreements regarding the fulfillment of the requirements  
55 of this chapter.

56 (2) All taxable sales made through a marketplace facilitator's marketplace by or  
57 on behalf of a marketplace seller shall be deemed to be consummated at the location in this  
58 state to which the item is shipped or delivered or at which possession is taken by the  
59 purchaser.

60 3. Marketplace facilitators that are required to collect sales and use tax under this  
61 section shall report and remit the tax separately from any sales and use tax collected by the  
62 marketplace facilitator, or by affiliates of the marketplace facilitator, that the marketplace  
63 facilitator would have been required to collect and remit under the provisions of this  
64 chapter prior to January 1, 2022. Such tax shall be reported and remitted on a  
65 marketplace facilitator return to be developed and published by the department.  
66 Marketplace facilitators shall maintain records of all sales delivered to a location in the  
67 state, including copies of invoices showing the purchaser, address, items purchased,  
68 purchase amount, and sales and use tax collected. Such records shall be made available  
69 for review and inspection upon request by the department.

70 4. Marketplace facilitators who properly collect and remit to the department in a  
71 timely manner sales and use tax on sales in accordance with the provisions of this section  
72 by or on behalf of marketplace sellers shall be eligible for any discount provided under this  
73 chapter.

74 5. A marketplace facilitator shall provide the purchaser with a statement or invoice  
75 showing the amount of the sales or use tax and that the sales or use tax was collected and  
76 shall be remitted on the purchaser's behalf.

77 6. Any purchaser, marketplace facilitator, or marketplace seller who remits sales  
78 or use tax under this section shall be entitled to refunds or credits to the same extent and  
79 in the same manner provided for in section 144.190 for taxes collected and remitted under  
80 this section. Nothing in this section shall relieve a purchaser of the obligation to remit sales  
81 or use tax for any retail sale taxable under this chapter for which a marketplace facilitator  
82 or marketplace seller does not collect and remit the sales or use tax.

83 7. (1) Except as provided under this subsection, marketplace facilitators shall be  
84 subject to the penalty provisions, procedures, and reporting requirements provided under  
85 this chapter.

86 (2) (a) The department shall not perform an audit under this chapter on a  
87 marketplace facilitator except on sales made by a marketplace seller and facilitated by the  
88 marketplace facilitator.

89           **(b) The department shall not perform an audit under this chapter on a marketplace**  
90 **seller for sales facilitated by a marketplace facilitator except to the extent that the**  
91 **marketplace facilitator seeks relief from liability on the basis that insufficient or incorrect**  
92 **information was provided to the marketplace facilitator by the marketplace seller.**

93           **(3) A marketplace facilitator shall be relieved from liability under this section for**  
94 **the failure to collect and remit the correct amount of sales or use tax on retail sales**  
95 **facilitated for a marketplace seller if the marketplace facilitator demonstrates to the**  
96 **satisfaction of the department that the error was due to insufficient or incorrect**  
97 **information provided to the marketplace facilitator by the marketplace seller and not an**  
98 **error in sourcing the sale, unless the marketplace facilitator and the marketplace seller are**  
99 **the same entity or are otherwise affiliated.**

100           **(4) The relief from liability provided to a marketplace facilitator under subdivision**  
101 **(3) of this subsection shall not exceed the following percentage of the total sales and use tax**  
102 **due on retail sales facilitated by the marketplace facilitator for marketplace sellers and**  
103 **sourced to this state during a calendar year, excluding any retail sales made directly by the**  
104 **marketplace facilitator or its affiliates:**

105           **(a) For retail sales made or facilitated during the 2022 calendar year, four percent;**

106           **(b) For retail sales made or facilitated during the 2023 calendar year, two percent;**

107           **(c) For retail sales made or facilitated during the 2024 calendar year, one percent;**

108 **and**

109           **(d) For retail sales made or facilitated on or after January 1, 2025, zero percent.**

110           **(5) To the extent that a marketplace facilitator is relieved of liability for the**  
111 **collection of sales and use tax under this subsection, the marketplace seller for whom the**  
112 **marketplace facilitator has made or facilitated the sale shall also be relieved of liability**  
113 **under this subsection.**

114           **(6) The department shall determine the manner in which a marketplace facilitator**  
115 **or marketplace seller shall apply for and claim the relief from liability provided for under**  
116 **this subsection.**

117           **8. The department may grant a waiver from the requirements of this section if a**  
118 **marketplace facilitator demonstrates to the satisfaction of the department that all of its**  
119 **marketplace sellers are already registered under the provisions of this chapter to collect**  
120 **and remit sales and use tax. If such waiver is granted, the sales or use tax due shall be**  
121 **collected and remitted by the marketplace seller. The department shall develop guidelines**  
122 **by rule that establish the criteria for obtaining a waiver, the process and procedure for a**  
123 **marketplace facilitator or marketplace seller to apply for a waiver, and the process for**  
124 **providing notice to an affected marketplace facilitator and marketplace seller of a waiver**

125 **obtained under the provisions of this subsection. Any rule or portion of a rule, as that term**  
 126 **is defined in section 536.010, that is created under the authority delegated in this section**  
 127 **shall become effective only if it complies with and is subject to all of the provisions of**  
 128 **chapter 536 and, if applicable, section 536.028. This section and chapter 536 are**  
 129 **nonseverable, and if any of the powers vested with the general assembly pursuant to**  
 130 **chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are**  
 131 **subsequently held unconstitutional, then the grant of rulemaking authority and any rule**  
 132 **proposed or adopted after August 28, 2021, shall be invalid and void.**

144.757. 1. (1) Any county or municipality [~~except municipalities within a county~~  
 2 ~~having a charter form of government with a population in excess of nine hundred thousand,]~~  
 3 may, by a majority vote of its governing body, impose a local use tax if a local sales tax is  
 4 imposed as defined in section 32.085 at a rate equal to the rate of the local sales tax in effect in  
 5 such county or municipality; provided, however, that no ordinance or order enacted pursuant to  
 6 sections 144.757 to 144.761 shall be effective unless the governing body of the county or  
 7 municipality submits to the voters thereof at a municipal, county or state general, primary or  
 8 special election a proposal to authorize the governing body of the county or municipality to  
 9 impose a local use tax pursuant to sections 144.757 to 144.761.

(2) Municipalities within a county having a charter form of government with a  
 10 population in excess of nine hundred thousand [~~may, upon voter approval received pursuant to~~  
 11 ~~paragraph (b) of subdivision (2) of subsection 2 of this section, impose a local use tax at the~~  
 12 ~~same rate as the local municipal sales tax with the revenues from all such municipal use taxes~~  
 13 ~~to be distributed pursuant to subsection 4 of section 94.890. The municipality shall within thirty~~  
 14 ~~days of the approval of the use tax imposed pursuant to paragraph (b) of subdivision (2) of~~  
 15 ~~subsection 2 of this section select one of the distribution options permitted in]~~ **shall, within**  
 16 **thirty days of the approval of the use tax imposed under subdivision (1) of subsection 2 of**  
 17 **this section, select one of the distribution options permitted under** subsection 4 of section  
 18 94.890 for distribution of all municipal use taxes.

2. (1) The ballot of submission [~~except for counties and municipalities described in~~  
 21 ~~subdivisions (2) and (3) of this subsection,]~~ shall contain substantially the following language:

22 Shall the \_\_\_\_\_ (county or municipality's name) **be authorized to** impose a  
 23 local use tax at the same rate as the [total] local sales tax rate [~~currently \_\_\_\_\_~~  
 24 ~~(insert percent),]~~ **by a vote of the governing body**, provided that if **any local**  
 25 **sales tax is repealed**, [~~the local sales tax rate is]~~ reduced, or raised by voter  
 26 approval, the **respective** local use tax [rate] shall also be **repealed**, reduced, or  
 27 raised by the same action? **Use taxes on out-of-state purchases made through**  
 28 **an internet website shall apply to all purchases and shall be calculated,**

29 **collected, and remitted by the website. Use taxes on out-of-state purchases**  
 30 **not made through an internet website shall require the purchaser to**  
 31 **calculate and remit use tax payment to the Missouri Department of Revenue**  
 32 **annually with a use tax return, but** a use tax return shall not be required to be  
 33 filed by persons whose purchases from out-of-state vendors do not in total exceed  
 34 two thousand dollars in any calendar year.

35  YES  NO

36

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

39

40 (2) ~~[(a) The ballot of submission in a county having a charter form of government with~~  
 41 ~~a population in excess of nine hundred thousand shall contain substantially the following~~  
 42 ~~language:~~

43 ~~———— For the purposes of enhancing county and municipal public safety, parks, and job~~  
 44 ~~creation and enhancing local government services, shall the county be authorized~~  
 45 ~~to collect a local use tax equal to the total of the existing county sales tax rate of~~  
 46 ~~(insert tax rate), provided that if the county sales tax is repealed, reduced or~~  
 47 ~~raised by voter approval, the local use tax rate shall also be repealed, reduced or~~  
 48 ~~raised by the same voter action? Fifty percent of the revenue shall be used by the~~  
 49 ~~county throughout the county for improving and enhancing public safety, park~~  
 50 ~~improvements, and job creation, and fifty percent shall be used for enhancing~~  
 51 ~~local government services. The county shall be required to make available to the~~  
 52 ~~public an audited comprehensive financial report detailing the management and~~  
 53 ~~use of the countywide portion of the funds each year.~~

54

55 ~~———— A use tax is the equivalent of a sales tax on purchases from out-of-state sellers~~  
 56 ~~by in-state buyers and on certain taxable business transactions. A use tax return~~  
 57 ~~shall not be required to be filed by persons whose purchases from out-of-state~~  
 58 ~~vendors do not in total exceed two thousand dollars in any calendar year.~~

59 ~~————  YES  NO~~

60

61 ~~———— If you are in favor of the question, place an "X" in the box opposite "YES". If you~~  
 62 ~~are opposed to the question, place an "X" in the box opposite "NO".~~

63

64 ~~\_\_\_\_\_~~ (b) The ballot of submission in a municipality within a county having a charter form of  
 65 government with a population in excess of nine hundred thousand shall contain substantially the  
 66 following language:

67 ~~\_\_\_\_\_~~ Shall the municipality be authorized to impose a local use tax at the same rate as  
 68 the local sales tax by a vote of the governing body, provided that if any local sales  
 69 tax is repealed, reduced or raised by voter approval, the respective local use tax  
 70 shall also be repealed, reduced or raised by the same action? A use tax return  
 71 shall not be required to be filed by persons whose purchases from out-of-state  
 72 vendors do not in total exceed two thousand dollars in any calendar year.

73 ~~\_\_\_\_\_~~  YES ~~\_\_\_\_\_~~  NO

74

75 ~~\_\_\_\_\_~~ If you are in favor of the question, place an "X" in the box opposite "YES". If you  
 76 are opposed to the question, place an "X" in the box opposite "NO".

77

78 ~~\_\_\_\_\_~~ (3) The ballot of submission in any city not within a county shall contain substantially  
 79 the following language:

80 ~~\_\_\_\_\_~~ Shall the \_\_\_\_\_ (city name) impose a local use tax at the same rate as the local  
 81 sales tax, currently at a rate of \_\_\_\_\_ (insert percent) which includes the capital  
 82 improvements sales tax and the transportation tax, provided that if any local sales  
 83 tax is repealed, reduced or raised by voter approval, the respective local use tax  
 84 shall also be repealed, reduced or raised by the same action? A use tax return  
 85 shall not be required to be filed by persons whose purchases from out-of-state  
 86 vendors do not in total exceed two thousand dollars in any calendar year.

87 ~~\_\_\_\_\_~~  YES ~~\_\_\_\_\_~~  NO

88

89 ~~\_\_\_\_\_~~ If you are in favor of the question, place an "X" in the box opposite "YES". If you  
 90 are opposed to the question, place an "X" in the box opposite "NO".

91

92 ~~\_\_\_\_\_~~ (4) If any of such ballots are submitted on August 6, 1996, and if a majority of the votes  
 93 cast on the proposal by the qualified voters voting thereon are in favor of the proposal, then the  
 94 ordinance or order and any amendments thereto shall be in effect October 1, 1996, provided the  
 95 director of revenue receives notice of adoption of the local use tax on or before August 16, 1996.

96 ~~If any of such ballots are submitted after December 31, 1996, and] If a majority of the votes cast~~  
 97 on the proposal by the qualified voters voting thereon are in favor of the proposal, then the  
 98 ordinance or order and any amendments thereto shall be in effect on the first day of the calendar  
 99 quarter which begins at least forty-five days after the director of revenue receives notice of

100 adoption of the local use tax. If a majority of the votes cast by the qualified voters voting are  
101 opposed to the proposal, then the governing body of the county or municipality shall have no  
102 power to impose the local use tax as herein authorized unless and until the governing body of the  
103 county or municipality shall again have submitted another proposal to authorize the governing  
104 body of the county or municipality to impose the local use tax and such proposal is approved by  
105 a majority of the qualified voters voting thereon.

106 **(3) Any county or municipality with an existing local use tax enacted prior to**  
107 **January 1, 2022, shall be permitted to keep such existing local use tax at a rate not to**  
108 **exceed the rate enacted as of January 1, 2022. If any such county or municipality places**  
109 **the use tax measure of this section on the ballot and the measure fails to pass, the use tax**  
110 **enacted prior to January 1, 2022, shall remain in effect until it expires or is repealed,**  
111 **reduced, or raised by a future ballot measure. If any such county or municipality places**  
112 **the use tax measure of this section on the ballot and the measure passes, the use tax of this**  
113 **section shall replace the previously enacted use tax.**

114 3. The local use tax may be imposed at the same rate as the local sales tax then currently  
115 in effect in the county or municipality upon all transactions which are subject to the taxes  
116 imposed pursuant to sections 144.600 to 144.745 within the county or municipality adopting  
117 such tax; provided, however, that if any local sales tax is repealed or the rate thereof is reduced  
118 or raised by voter approval, the local use tax rate shall also be deemed to be repealed, reduced  
119 or raised by the same action repealing, reducing or raising the local sales tax.

120 4. For purposes of sections 144.757 to 144.761, the use tax may be referred to or  
121 described as the equivalent of a sales tax on purchases made from out-of-state sellers by in-state  
122 buyers and on certain intrabusiness transactions. Such a description shall not change the  
123 classification, form or subject of the use tax or the manner in which it is collected. **The use tax**  
124 **shall not be described as a new tax or as not being a new tax, nor shall it be advertised or**  
125 **promoted in a manner in violation of section 115.646.**

238.207. 1. Whenever the creation of a district is desired, not less than fifty registered  
2 voters from each county partially or totally within the proposed district may file a petition  
3 requesting the creation of a district. However, if no persons eligible to be registered voters reside  
4 within the district, the owners of record of all of the real property, except public streets, located  
5 within the proposed district may file a petition requesting the creation of a district. The petition  
6 shall be filed in the circuit court of any county partially or totally within the proposed district.

7 2. Alternatively, the governing body of any local transportation authority within any  
8 county in which a proposed project may be located may file a petition in the circuit court of that  
9 county, requesting the creation of a district.

10           3. The proposed district area shall be contiguous and may contain all or any portion of  
11 one or more municipalities and counties; provided:

12           (1) Property separated only by public streets, easements or rights-of-way shall be  
13 considered contiguous;

14           (2) In the case of a district formed pursuant to a petition filed by the owners of record  
15 of all of the real property located within the proposed district, the proposed district area need not  
16 contain contiguous properties if:

17           (a) The petition provides that the only funding method for project costs will be a sales  
18 tax;

19           (b) The court finds that all of the real property located within the proposed district will  
20 benefit by the projects to be undertaken by the district; and

21           (c) Each parcel within the district is within five miles of every other parcel; and

22           (3) In the case of a district created pursuant to subsection 5 of this section, property  
23 separated only by public streets, easements, or rights-of-way or connected by a single public  
24 street, easement, or right-of-way shall be considered contiguous.

25           4. The petition shall set forth:

26           (1) The name, voting residence and county of residence of each individual petitioner, or,  
27 if no persons eligible to be registered voters reside within the proposed district, the name and  
28 address of each owner of record of real property located within the proposed district, or shall  
29 recite that the petitioner is the governing body of a local transportation authority acting in its  
30 official capacity;

31           (2) The name and address of each respondent. Respondents must include the  
32 commission and each affected local transportation authority within the proposed district, except  
33 a petitioning local transportation authority;

34           (3) A specific description of the proposed district boundaries including a map illustrating  
35 such boundaries;

36           (4) A general description of each project proposed to be undertaken by that district,  
37 including a description of the approximate location of each project;

38           (5) The estimated project costs and the anticipated revenues to be collected from the  
39 project;

40           (6) The name of the proposed district;

41           (7) The number of members of the board of directors of the proposed district, which shall  
42 be not less than five or more than fifteen;

43           (8) A statement that the terms of office of initial board members shall be staggered in  
44 approximately equal numbers to expire in one, two or three years;



45 (9) If the petition was filed by registered voters or by a governing body, a request that  
46 the question be submitted to the qualified voters within the limits of the proposed district  
47 whether they will establish a transportation development district to develop a specified project  
48 or projects;

49 (10) A proposal for funding the district initially, pursuant to the authority granted in  
50 sections 238.200 to 238.275, together with a request that the funding proposal be submitted to  
51 the qualified voters within the ~~[limits of]~~ **municipality in which the proposed district is located**;  
52 provided, however, the funding method of special assessments may also be approved as provided  
53 in subsection 1 of section 238.230;

54 (11) A statement that the proposed district shall not be an undue burden on any owner  
55 of property within the district and is not unjust or unreasonable; and

56 (12) Details of the budgeted expenditures, including estimated expenditures for real  
57 physical improvements, estimated land acquisition expenses, estimated expenses for professional  
58 services and estimated interest charges.

59 5. (1) As an alternative to the methods described in subsections 1 and 2 of this section,  
60 if two or more local transportation authorities have adopted resolutions calling for the joint  
61 establishment of a district, the governing body of any one such local transportation authority may  
62 file a petition in the circuit court of any county in which the proposed project is located  
63 requesting the creation of a district; or, if not less than fifty registered voters from each of two  
64 or more counties sign a petition calling for the joint establishment of a district for the purpose  
65 of developing a project that lies in whole or in part within those same counties, the petition may  
66 be filed in the circuit court of any of those counties in which not less than fifty registered voters  
67 have signed the petition.

68 (2) The proposed district area shall be contiguous and may contain all or any portion of  
69 one or more municipalities and counties. Property separated only by public streets, easements,  
70 or rights-of-way or connected by a single public street, easement, or right-of-way shall be  
71 considered contiguous.

72 (3) The petition shall set forth:

73 (a) That the petitioner is the governing body of a local transportation authority acting in  
74 its official capacity; or, if the petition was filed by obtaining the signatures of not less than fifty  
75 registered voters in each of two or more counties, it shall set forth the name, voting residence,  
76 and county of residence of each individual petitioner;

77 (b) The name of each local transportation authority within the proposed district. The  
78 resolution of the governing body of each local transportation authority calling for the joint  
79 establishment of the district shall be attached to the petition;

80 (c) The name and address of each respondent. Respondents must include the  
81 commission and each affected local transportation authority within the proposed district, except  
82 a petitioning local transportation authority;

83 (d) A specific description of the proposed district boundaries including a map illustrating  
84 such boundaries;

85 (e) A general description of each project proposed to be undertaken by the district,  
86 including a description of the approximate location of each project;

87 (f) The name of the proposed district;

88 (g) The number of members of the board of directors of the proposed district;

89 (h) A request that the question be submitted to the qualified voters within the limits of  
90 the proposed district whether they will establish a transportation development district to develop  
91 the projects described in the petition;

92 (i) A proposal for funding the district initially, pursuant to the authority granted in  
93 sections 238.200 to 238.275, together with a request that the imposition of the funding proposal  
94 be submitted to the qualified voters residing within the ~~[limits of]~~ **municipality in which the**  
95 **proposed district is located**; provided, however, the funding method of special assessments may  
96 also be approved as provided in subsection 1 of section 238.230; and

97 (j) A statement that the proposed district shall not be an undue burden on any owner of  
98 property within the district and is not unjust or unreasonable.

238.235. 1. (1) Any transportation development district may by resolution impose a  
2 transportation development district sales tax on all retail sales made in such transportation  
3 development district which are subject to taxation pursuant to the provisions of sections 144.010  
4 to 144.525, except such transportation development district sales tax shall not apply to the sale  
5 or use of motor vehicles, trailers, boats or outboard motors nor to all sales of electricity or  
6 electrical current, water and gas, natural or artificial, nor to sales of service to telephone  
7 subscribers, either local or long distance. Such transportation development district sales tax may  
8 be imposed for any transportation development purpose designated by the transportation  
9 development district in its ballot of submission to its qualified voters, except that no resolution  
10 enacted pursuant to the authority granted by this section shall be effective unless:

11 (a) The board of directors of the transportation development district submits to the  
12 qualified voters of the **municipality in which the** transportation development district **is located**  
13 a proposal to authorize the board of directors of the transportation development district to impose  
14 or increase the levy of an existing tax pursuant to the provisions of this section; or

15 (b) The voters approved the question certified by the petition filed pursuant to subsection  
16 5 of section 238.207.

17 (2) If the transportation district submits to the qualified voters of the **municipality in**  
18 **which the** transportation development district **is located** a proposal to authorize the board of  
19 directors of the transportation development district to impose or increase the levy of an existing  
20 tax pursuant to the provisions of paragraph (a) of subdivision (1) of this subsection, the ballot  
21 of submission shall contain, but need not be limited to, the following language:

22 Shall the transportation development district of \_\_\_\_\_ (transportation  
23 development district's name) impose a transportation development district-wide  
24 sales tax at the rate of \_\_\_\_\_ (insert amount) for a period of \_\_\_\_\_ (insert  
25 number) years from the date on which such tax is first imposed for the purpose  
26 of \_\_\_\_\_ (insert transportation development purpose)?

27  YES  NO

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

30

31 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor  
32 of the proposal, then the resolution and any amendments thereto shall be in effect. If a majority  
33 of the votes cast by the qualified voters voting are opposed to the proposal, then the board of  
34 directors of the transportation development district shall have no power to impose the sales tax  
35 authorized by this section unless and until the board of directors of the transportation  
36 development district shall again have submitted another proposal to authorize it to impose the  
37 sales tax pursuant to the provisions of this section and such proposal is approved by a majority  
38 of the qualified voters voting thereon.

39 (3) The sales tax authorized by this section shall become effective on the first day of the  
40 second calendar quarter after the department of revenue receives notification of the tax.

41 (4) In each transportation development district in which a sales tax has been imposed in  
42 the manner provided by this section, every retailer shall add the tax imposed by the transportation  
43 development district pursuant to this section to the retailer's sale price, and when so added such  
44 tax shall constitute a part of the price, shall be a debt of the purchaser to the retailer until paid,  
45 and shall be recoverable at law in the same manner as the purchase price.

46 (5) In order to permit sellers required to collect and report the sales tax authorized by this  
47 section to collect the amount required to be reported and remitted, but not to change the  
48 requirements of reporting or remitting tax or to serve as a levy of the tax, and in order to avoid  
49 fractions of pennies, the transportation development district may establish appropriate brackets  
50 which shall be used in the district imposing a tax pursuant to this section in lieu of those brackets  
51 provided in section 144.285.

52 (6) All revenue received by a transportation development district from the tax authorized  
53 by this section which has been designated for a certain transportation development purpose shall  
54 be deposited in a special trust fund and shall be used solely for such designated purpose. Upon  
55 the expiration of the period of years approved by the qualified voters pursuant to subdivision (2)  
56 of this subsection or if the tax authorized by this section is repealed pursuant to subsection 6 of  
57 this section, all funds remaining in the special trust fund shall continue to be used solely for such  
58 designated transportation development purpose. Any funds in such special trust fund which are  
59 not needed for current expenditures may be invested by the board of directors in accordance with  
60 applicable laws relating to the investment of other transportation development district funds.

61 (7) The sales tax may be imposed in increments of one-eighth of one percent, up to a  
62 maximum of one percent on the receipts from the sale at retail of all tangible personal property  
63 or taxable services at retail within the transportation development district adopting such tax, if  
64 such property and services are subject to taxation by the state of Missouri pursuant to the  
65 provisions of sections 144.010 to 144.525, except such transportation development district sales  
66 tax shall not apply to the sale or use of motor vehicles, trailers, boats or outboard motors nor to  
67 public utilities. Any transportation development district sales tax imposed pursuant to this  
68 section shall be imposed at a rate that shall be uniform throughout the district.

69 2. The resolution imposing the sales tax pursuant to this section shall impose upon all  
70 sellers a tax for the privilege of engaging in the business of selling tangible personal property or  
71 rendering taxable services at retail to the extent and in the manner provided in sections 144.010  
72 to 144.525, and the rules and regulations of the director of revenue issued pursuant thereto;  
73 except that the rate of the tax shall be the rate imposed by the resolution as the sales tax and the  
74 tax shall be reported and returned to and collected by the transportation development district.

75 3. On and after the effective date of any tax imposed pursuant to this section, the director  
76 of revenue shall perform all functions incident to the administration, collection, enforcement, and  
77 operation of the tax, and the director of revenue shall collect, in addition to all other sales taxes  
78 imposed by law, the additional tax authorized pursuant to this section. The tax imposed pursuant  
79 to this section and the taxes imposed pursuant to all other laws of the state of Missouri shall be  
80 collected together and reported upon such forms and pursuant to such administrative rules and  
81 regulations as may be prescribed by the director of revenue.

82 4. (1) All applicable provisions contained in sections 144.010 to 144.525, governing the  
83 state sales tax, sections 32.085 and 32.087 and section 32.057, the uniform confidentiality  
84 provision, shall apply to the collection of the tax imposed by this section, except as modified in  
85 this section.

86 (2) All exemptions granted to agencies of government, organizations, persons and to the  
87 sale of certain articles and items of tangible personal property and taxable services pursuant to

88 the provisions of sections 144.010 to 144.525 are hereby made applicable to the imposition and  
89 collection of the tax imposed by this section.

90 (3) The same sales tax permit, exemption certificate and retail certificate required by  
91 sections 144.010 to 144.525 for the administration and collection of the state sales tax shall  
92 satisfy the requirements of this section, and no additional permit or exemption certificate or retail  
93 certificate shall be required; except that the transportation development district may prescribe  
94 a form of exemption certificate for an exemption from the tax imposed by this section.

95 (4) All discounts allowed the retailer pursuant to the provisions of the state sales tax laws  
96 for the collection of and for payment of taxes pursuant to such laws are hereby allowed and made  
97 applicable to any taxes collected pursuant to the provisions of this section.

98 (5) The penalties provided in section 32.057 and sections 144.010 to 144.525 for  
99 violation of those sections are hereby made applicable to violations of this section.

100 (6) For the purpose of a sales tax imposed by a resolution pursuant to this section, all  
101 retail sales except retail sales of motor vehicles shall be deemed to be consummated at the place  
102 of business of the retailer unless the tangible personal property sold is delivered by the retailer  
103 or the retailer's agent to an out-of-state destination or to a common carrier for delivery to an  
104 out-of-state destination. In the event a retailer has more than one place of business in this state  
105 which participates in the sale, the sale shall be deemed to be consummated at the place of  
106 business of the retailer where the initial order for the tangible personal property is taken, even  
107 though the order must be forwarded elsewhere for acceptance, approval of credit, shipment or  
108 billing. A sale by a retailer's employee shall be deemed to be consummated at the place of  
109 business from which the employee works.

110 5. All sales taxes received by the transportation development district shall be deposited  
111 by the director of revenue in a special fund to be expended for the purposes authorized in this  
112 section. The director of revenue shall keep accurate records of the amount of money which was  
113 collected pursuant to this section, and the records shall be open to the inspection of officers of  
114 each transportation development district and the general public.

115 6. (1) No transportation development district imposing a sales tax pursuant to this  
116 section may repeal or amend such sales tax unless such repeal or amendment will not impair the  
117 district's ability to repay any liabilities which it has incurred, money which it has borrowed or  
118 revenue bonds, notes or other obligations which it has issued or which have been issued by the  
119 commission or any local transportation authority to finance any project or projects.

120 (2) Whenever the board of directors of any transportation development district in which  
121 a transportation development sales tax has been imposed in the manner provided by this section  
122 receives a petition, signed by ten percent of the qualified voters calling for an election to repeal  
123 such transportation development sales tax, the board of directors shall, if such repeal will not

124 impair the district's ability to repay any liabilities which it has incurred, money which it has  
 125 borrowed or revenue bonds, notes or other obligations which it has issued or which have been  
 126 issued by the commission or any local transportation authority to finance any project or projects,  
 127 submit to the qualified voters of **the municipality in which** such transportation development  
 128 district **is located** a proposal to repeal the transportation development sales tax imposed pursuant  
 129 to the provisions of this section. If a majority of the votes cast on the proposal by the qualified  
 130 voters voting thereon are in favor of the proposal to repeal the transportation development sales  
 131 tax, then the resolution imposing the transportation development sales tax, along with any  
 132 amendments thereto, is repealed. If a majority of the votes cast by the qualified voters voting  
 133 thereon are opposed to the proposal to repeal the transportation development sales tax, then the  
 134 ordinance or resolution imposing the transportation development sales tax, along with any  
 135 amendments thereto, shall remain in effect.

136 7. Notwithstanding any provision of sections 99.800 to 99.865 and this section to the  
 137 contrary, the sales tax imposed by a district whose project is a public mass transportation system  
 138 shall not be considered economic activity taxes as such term is defined under sections 99.805 and  
 139 99.918 and shall not be subject to allocation under the provisions of subsection 3 of section  
 140 99.845, or subsection 4 of section 99.957.

238.237. 1. If approved by a majority of the qualified voters voting on the question in  
 2 the **municipality in which the district is located**, the district may charge and collect tolls or fees  
 3 for the use of a project. The board may charge a lower toll rate or fee than that amount approved  
 4 by the ~~[district]~~ voters, and may increase that lower toll rate or fee to a level not exceeding the  
 5 toll or fee rate ceiling without voter approval. Toll rates or fees for the use of the same project  
 6 may vary at the election of the board, depending upon the type or nature of the user, or the type  
 7 or nature of the use.

8 2. The ballot of submission shall be substantially in the following form:

9 Shall the \_\_\_\_\_ Transportation Development District be authorized to charge  
 10 tolls or fees in amounts not to exceed those given below:

| 11 Maximum Toll or Fee | Toll or Fee Description   |
|------------------------|---|
| 12 (Insert amount)     | 13 (Insert a brief description of the<br>14 toll or fee, distinguishing it from<br>15 other tolls or fees to be charged on<br>the same project) |
| 16 (Insert amount)     | 17 (Describe the next toll or fee<br>charged)   |
| 18 (Etc.)              | (Etc.)  |

19 for the purpose of providing revenue for the development of a project (or  
20 projects) in the district (insert general description of the project or projects, if  
21 necessary)?

22  YES  NO

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

25 3. To construct a toll facility, a district may relocate an existing state highway, subject  
26 to approval by the commission, or an existing local public street or road, subject to approval by  
27 the local transportation authority having control and jurisdiction over such street or road. A  
28 district shall not incorporate an existing free public street, road, or highway into a district project  
29 that will be subject to tolls.

262.900. 1. As used in this section, the following terms mean:

2 (1) "Agricultural products", an agricultural, horticultural, viticultural, or vegetable  
3 product, growing of grapes that will be processed into wine, bees, honey, fish or other  
4 aquacultural product, planting seed, livestock, a livestock product, a forestry product, poultry or  
5 a poultry product, either in its natural or processed state, that has been produced, processed, or  
6 otherwise had value added to it in this state;

7 (2) "Blighted area", ~~[that portion of the city within which the legislative authority of such~~  
8 ~~city determines that by reason of age, obsolescence, inadequate, or outmoded design or physical~~  
9 ~~deterioration have become economic and social liabilities, and that such conditions are conducive~~  
10 ~~to ill health, transmission of disease, crime or inability to pay reasonable taxes]~~ **the same**  
11 **meaning as provided under section 67.1401;**

12 (3) "Department", the department of agriculture;

13 (4) "Domesticated animal", cattle, calves, sheep, swine, ratite birds including but not  
14 limited to ostrich and emu, llamas, alpaca, buffalo, bison, elk documented as obtained from a  
15 legal source and not from the wild, goats, or horses, other equines, or rabbits raised in  
16 confinement for human consumption;

17 (5) "Grower UAZ", a type of UAZ:

18 (a) That can either grow produce, raise livestock, or produce other value-added  
19 agricultural products;

20 (b) That does not exceed fifty laying hens, six hundred fifty broiler chickens, or thirty  
21 domesticated animals;

22 (6) "Livestock", cattle, calves, sheep, swine, ratite birds including but not limited to  
23 ostrich and emu, aquatic products as described in section 277.024, llamas, alpaca, buffalo, bison,  
24 elk documented as obtained from a legal source and not from the wild, goats, or horses, other  
25 equines, or rabbits raised in confinement for human consumption;

- 26 (7) "Locally grown", a product that was grown or raised in the same county or city not  
27 within a county in which the UAZ is located or in an adjoining county or city not within a  
28 county. For a product raised or sold in a city not within a county, locally grown also includes  
29 an adjoining county with a charter form of government with more than nine hundred fifty  
30 thousand inhabitants and those adjoining said county;
- 31 (8) "Meat", any edible portion of livestock or poultry carcass or part thereof;
- 32 (9) "Meat product", anything containing meat intended for or capable of use for human  
33 consumption, which is derived, in whole or in part, from livestock or poultry;
- 34 (10) "Mobile unit", the same as motor vehicle as defined in section 301.010;
- 35 (11) "Poultry", any domesticated bird intended for human consumption;
- 36 (12) "Processing UAZ", a type of UAZ:
- 37 (a) That processes livestock, poultry, or produce for human consumption;
- 38 (b) That meets federal and state processing laws and standards;
- 39 (c) Is a qualifying small business approved by the department;
- 40 (13) "Qualifying small business", those enterprises which are established within an  
41 Urban Agricultural Zone subsequent to its creation, and which meet the definition established  
42 for the Small Business Administration and set forth in Section 121.201 of Part 121 of Title 13  
43 of the Code of Federal Regulations;
- 44 (14) "Value-added agricultural products", any product or products that are the result of:
- 45 (a) Using an agricultural product grown in this state to produce a meat or dairy product  
46 in this state;
- 47 (b) A change in the physical state or form of the original agricultural product;
- 48 (c) An agricultural product grown in this state which has had its value enhanced by  
49 special production methods such as organically grown products; or
- 50 (d) A physical segregation of a commodity or agricultural product grown in this state that  
51 enhances its value such as identity preserved marketing systems;
- 52 (15) "Urban agricultural zone" or "UAZ", a zone within a metropolitan statistical area  
53 as defined by the United States Office of Budget and Management that has one or more of the  
54 following entities that is a qualifying small business and approved by the department, as follows:
- 55 (a) Any organization or person who grows produce or other agricultural products;
- 56 (b) Any organization or person that raises livestock or poultry;
- 57 (c) Any organization or person who processes livestock or poultry;
- 58 (d) Any organization that sells at a minimum seventy-five percent locally grown food;
- 59 (16) "Vending UAZ", a type of UAZ:
- 60 (a) That sells produce, meat, or value-added locally grown agricultural goods;



61 (b) That is able to accept food stamps under the provisions of the Supplemental Nutrition  
62 Assistance Program as a form of payment; and

63 (c) Is a qualifying small business that is approved by the department for an UAZ vendor  
64 license.

65 2. (1) A person or organization shall submit to any incorporated municipality an  
66 application to develop an UAZ on a blighted area of land. Such application shall demonstrate  
67 or identify on the application:

68 (a) If the person or organization is a grower UAZ, processing UAZ, vending UAZ, or  
69 a combination of all three types of UAZs provided in this paragraph, in which case the person  
70 or organization shall meet the requirements of each type of UAZ in order to qualify;

71 (b) The number of jobs to be created;

72 (c) The types of products to be produced; and

73 (d) If applying for a vending UAZ, the ability to accept food stamps under the provisions  
74 of the Supplemental Nutrition Assistance Program if selling products to consumers.

75 (2) A municipality shall review and modify the application as necessary before either  
76 approving or denying the request to establish an UAZ.

77 (3) Approval of the UAZ by such municipality shall be reviewed five and ten years after  
78 the development of the UAZ. After twenty-five years, the UAZ shall dissolve.

79

80 If the municipality finds during its review that the UAZ is not meeting the requirements set out  
81 in this section, the municipality may dissolve the UAZ.

82 3. The governing body of any municipality planning to seek designation of an urban  
83 agricultural zone shall establish an urban agricultural zone board. The number of members on  
84 the board shall be seven. One member of the board shall be appointed by the school district or  
85 districts located within the area proposed for designation of an urban agricultural zone. Two  
86 members of the board shall be appointed by other affected taxing districts. The remaining four  
87 members shall be chosen by the chief elected officer of the municipality. The four members  
88 chosen by the chief elected officer of the municipality shall all be residents of the county or city  
89 not within a county in which the UAZ is to be located, and at least one of such four members  
90 shall have experience in or represent organizations associated with sustainable agriculture, urban  
91 farming, community gardening, or any of the activities or products authorized by this section for  
92 UAZs.

93 4. The school district member and the two affected taxing district members shall each  
94 have initial terms of five years. Of the four members appointed by the chief elected official, two  
95 shall have initial terms of four years, and two shall have initial terms of three years. Thereafter,  
96 members shall serve terms of five years. Each member shall hold office until a successor has

97 been appointed. All vacancies shall be filled in the same manner as the original appointment.  
98 For inefficiency or neglect of duty or misconduct in office, a member of the board may be  
99 removed by the applicable appointing authority.

100         5. A majority of the members shall constitute a quorum of such board for the purpose  
101 of conducting business and exercising the powers of the board and for all other purposes. Action  
102 may be taken by the board upon a vote of a majority of the members present.

103         6. The members of the board annually shall elect a chair from among the members.

104         7. The role of the board shall be to conduct the activities necessary to advise the  
105 governing body on the designation of an urban agricultural zone and any other advisory duties  
106 as determined by the governing body. The role of the board after the designation of an urban  
107 agricultural zone shall be review and assessment of zone activities.

108         8. Prior to the adoption of an ordinance proposing the designation of an urban  
109 agricultural zone, the urban agricultural board shall fix a time and place for a public hearing and  
110 notify each taxing district located wholly or partially within the boundaries of the proposed urban  
111 agricultural zone. The board shall send, by certified mail, a notice of such hearing to all taxing  
112 districts and political subdivisions in the area to be affected and shall publish notice of such  
113 hearing in a newspaper of general circulation in the area to be affected by the designation at least  
114 twenty days prior to the hearing but not more than thirty days prior to the hearing. Such notice  
115 shall state the time, location, date, and purpose of the hearing. At the public hearing any  
116 interested person or affected taxing district may file with the board written objections to, or  
117 comments on, and may be heard orally in respect to, any issues embodied in the notice. The  
118 board shall hear and consider all protests, objections, comments, and other evidence presented  
119 at the hearing. The hearing may be continued to another date without further notice other than  
120 a motion to be entered upon the minutes fixing the time and place of the subsequent hearing.

121         9. Following the conclusion of the public hearing required under subsection 8 of this  
122 section, the governing authority of the municipality may adopt an ordinance designating an urban  
123 agricultural zone.

124         10. The real property of the UAZ shall not be subject to assessment or payment of ad  
125 valorem taxes on real property imposed by the cities affected by this section, or by the state or  
126 any political subdivision thereof, for a period of up to twenty-five years as specified by ordinance  
127 under subsection 9 of this section, except to such extent and in such amount as may be imposed  
128 upon such real property during such period, as was determined by the assessor of the county in  
129 which such real property is located, or, if not located within a county, then by the assessor of  
130 such city, in an amount not greater than the amount of taxes due and payable thereon during the  
131 calendar year preceding the calendar year during which the urban agricultural zone was  
132 designated. The amounts of such tax assessments shall not be increased during such period so

133 long as the real property is used in furtherance of the activities provided under the provisions of  
134 subdivision (15) of subsection 1 of this section. At the conclusion of the period of abatement  
135 provided by the ordinance, the property shall then be reassessed. If only a portion of real  
136 property is used as an UAZ, then only that portion of real property shall be exempt from  
137 assessment or payment of ad valorem taxes on such property, as provided by this section.

138 11. If the water services for the UAZ are provided by the municipality, the municipality  
139 may authorize a grower UAZ to pay wholesale water rates for the cost of water consumed on the  
140 UAZ. If available, the UAZ may pay fifty percent of the standard cost to hook onto the water  
141 source.

142 12. (1) Any local sales tax revenues received from the sale of agricultural products sold  
143 in the UAZ, or any local sales tax revenues received by a mobile unit associated with a vending  
144 UAZ selling agricultural products in the municipality in which the vending UAZ is located, shall  
145 be deposited in the urban agricultural zone fund established in subdivision (2) of this subsection.  
146 An amount equal to one percent shall be retained by the director of revenue for deposit in the  
147 general revenue fund to offset the costs of collection.

148 (2) There is hereby created in the state treasury the "Urban Agricultural Zone Fund",  
149 which shall consist of money collected under subdivision (1) of this subsection. The state  
150 treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state  
151 treasurer may approve disbursements. The fund shall be a dedicated fund and, upon  
152 appropriation, shall be used for the purposes authorized by this section. Notwithstanding the  
153 provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the  
154 biennium shall not revert to the credit of the general revenue fund. The state treasurer shall  
155 invest moneys in the fund in the same manner as other funds are invested. Any interest and  
156 moneys earned on such investments shall be credited to the fund. Fifty percent of fund moneys  
157 shall be made available to school districts. The remaining fifty percent of fund moneys shall be  
158 allocated to municipalities that have urban agricultural zones based upon the municipality's  
159 percentage of local sales tax revenues deposited into the fund. The municipalities shall, upon  
160 appropriation, provide fund moneys to urban agricultural zones within the municipality for  
161 improvements. School districts may apply to the department for money in the fund to be used  
162 for the development of curriculum on or the implementation of urban farming practices under  
163 the guidance of the University of Missouri extension service and a certified vocational  
164 agricultural instructor. The funds are to be distributed on a competitive basis within the school  
165 district or districts in which the UAZ is located pursuant to rules to be promulgated by the  
166 department, with special consideration given to the relative number of students eligible for free  
167 and reduced-price lunches attending the schools within such district or districts.

168           13. Any rule or portion of a rule, as that term is defined in section 536.010, that is  
169 created under the authority delegated in this section shall become effective only if it complies  
170 with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.  
171 This section and chapter 536 are nonseverable and if any of the powers vested with the general  
172 assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and  
173 annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and  
174 any rule proposed or adopted after August 28, 2013, shall be invalid and void.

175           14. The provisions of this section shall not apply to any county with a charter form of  
176 government and with more than three hundred thousand but fewer than four hundred fifty  
177 thousand inhabitants.

353.020. The following terms, whenever used or referred to in this chapter, mean:

2           (1) "Area", that portion of the city which the legislative authority of such city has found  
3 or shall find to be blighted so that the clearance, replanning, rehabilitation, or reconstruction  
4 thereof is necessary to effectuate the purposes of this law. Any such area may include buildings  
5 or improvements not in themselves blighted, and any real property, whether improved or  
6 unimproved, the inclusion of which is deemed necessary for the effective clearance, replanning,  
7 reconstruction or rehabilitation of the area of which such buildings, improvements or real  
8 property form a part;

9           (2) "Blighted area", ~~[that portion of the city within which the legislative authority of such~~  
10 ~~city determines that by reason of age, obsolescence, inadequate or outmoded design or physical~~  
11 ~~deterioration have become economic and social liabilities, and that such conditions are conducive~~  
12 ~~to ill health, transmission of disease, crime or inability to pay reasonable taxes]~~ **the same**  
13 **meaning as provided under section 67.1401;**

14           (3) "City" or "such cities", any city within this state and any county of the first  
15 classification with a charter form of government and a population of at least nine hundred  
16 thousand inhabitants or any county with a charter form of government and with more than six  
17 hundred thousand but less than seven hundred thousand inhabitants. The county's authority  
18 pursuant to this chapter shall be restricted to the unincorporated areas of such county;

19           (4) "Development plan", a plan, together with any amendments thereto, for the  
20 development of all or any part of a blighted area, which is authorized by the legislative authority  
21 of any such city;

22           (5) "Legislative authority", the city council or board of aldermen of the cities affected  
23 by this chapter;

24           (6) "Mortgage", a mortgage, trust indenture, deed of trust, building and loan contract, or  
25 other instrument creating a lien on real property, to secure the payment of an indebtedness, and  
26 the indebtedness secured by any of them;

27 (7) "Real property" includes lands, buildings, improvements, land under water,  
28 waterfront property, and any and all easements, franchises and hereditaments, corporeal or  
29 incorporeal, and every estate, interest, privilege, easement, franchise and right therein, or  
30 appurtenant thereto, legal or equitable, including restrictions of record, created by plat, covenant  
31 or otherwise, rights-of-way and terms for years;

32 (8) "Redevelopment", the clearance, replanning, reconstruction or rehabilitation of any  
33 blighted area, and the provision for such industrial, commercial, residential or public structures  
34 and spaces as may be appropriate, including recreational and other facilities incidental or  
35 appurtenant thereto;

36 (9) "Redevelopment project", a specific work or improvement to effectuate all or any  
37 part of a development plan;

38 (10) "Urban redevelopment corporation", a corporation organized pursuant to this  
39 chapter; except that any life insurance company organized pursuant to the laws of, or admitted  
40 to do business in, the state of Missouri may from time to time within five years after April 23,  
41 1946, undertake, alone or in conjunction with, or as a lessee of any such life insurance company  
42 or urban redevelopment corporation, a redevelopment project pursuant to this chapter, and shall,  
43 in its operations with respect to any such redevelopment project, but not otherwise, be deemed  
44 to be an urban redevelopment corporation for the purposes of this section and sections 353.010,  
45 353.040, 353.060 and 353.110 to 353.160.

620.2005. 1. As used in sections 620.2000 to 620.2020, the following terms mean:

2 (1) "Average wage", the new payroll divided by the number of new jobs, or the payroll  
3 of the retained jobs divided by the number of retained jobs;

4 (2) "Commencement of operations", the starting date for the qualified company's first  
5 new employee, which shall be no later than twelve months from the date of the approval;

6 (3) "Contractor", a person, employer, or business entity that enters into an agreement to  
7 perform any service or work or to provide a certain product in exchange for valuable  
8 consideration. This definition shall include but not be limited to a general contractor,  
9 subcontractor, independent contractor, contract employee, project manager, or a recruiting or  
10 staffing entity;

11 (4) "County average wage", the average wages in each county as determined by the  
12 department for the most recently completed full calendar year. However, if the computed county  
13 average wage is above the statewide average wage, the statewide average wage shall be deemed  
14 the county average wage for such county for the purpose of determining eligibility. The  
15 department shall publish the county average wage for each county at least annually.  
16 Notwithstanding the provisions of this subdivision to the contrary, for any qualified company  
17 that in conjunction with their project is relocating employees from a Missouri county with a

18 higher county average wage, the company shall obtain the endorsement of the governing body  
19 of the community from which jobs are being relocated or the county average wage for their  
20 project shall be the county average wage for the county from which the employees are being  
21 relocated;

22 (5) "Department", the Missouri department of economic development;

23 (6) "Director", the director of the department of economic development;

24 (7) "Employee", a person employed by a qualified company, excluding:

25 (a) Owners of the qualified company unless the qualified company is participating in an  
26 employee stock ownership plan; or

27 (b) Owners of a noncontrolling interest in stock of a qualified company that is publicly  
28 traded;

29 (8) "Existing Missouri business", a qualified company that, for the ten-year period  
30 preceding submission of a notice of intent to the department, had a physical location in Missouri  
31 and full-time employees who routinely performed job duties within Missouri;

32 (9) "Full-time employee", an employee of the qualified company that is scheduled to  
33 work an average of at least thirty-five hours per week for a twelve-month period, and one for  
34 which the qualified company offers health insurance and pays at least fifty percent of such  
35 insurance premiums. An employee that spends less than fifty percent of the employee's work  
36 time at the facility shall be considered to be located at a facility if the employee receives his or  
37 her directions and control from that facility, is on the facility's payroll, one hundred percent of  
38 the employee's income from such employment is Missouri income, and the employee is paid at  
39 or above the applicable percentage of the county average wage;

40 (10) "Industrial development authority", an industrial development authority organized  
41 under chapter 349 that has entered into a formal written memorandum of understanding with an  
42 entity of the United States Department of Defense regarding a qualified military project;

43 (11) "Infrastructure projects", highways, roads, streets, bridges, sewers, traffic control  
44 systems and devices, water distribution and supply systems, curbing, sidewalks, storm water and  
45 drainage systems, broadband internet infrastructure, and any other similar public improvements,  
46 but in no case shall infrastructure projects include private structures;

47 (12) "Local incentives", the present value of the dollar amount of direct benefit received  
48 by a qualified company for a project facility from one or more local political subdivisions, but  
49 this term shall not include loans or other funds provided to the qualified company that shall be  
50 repaid by the qualified company to the political subdivision;

51 (13) "Manufacturing capital investment", expenditures made by a qualified  
52 manufacturing company to retool or reconfigure a manufacturing project facility directly related

53 to the manufacturing of a new product or the expansion or modification of the manufacture of  
54 an existing product;

55 (14) "Memorandum of understanding", an agreement executed by an industrial  
56 development authority and an entity of the United States Department of Defense, a copy of which  
57 is provided to the department of economic development, that states, but is not limited to:

58 (a) A requirement for the military to provide the total number of existing jobs, jobs  
59 directly created by a qualified military project, and average salaries of such jobs to the industrial  
60 development authority and the department of economic development annually for the term of the  
61 benefit;

62 (b) A requirement for the military to provide an accounting of the expenditures of capital  
63 investment made by the military directly related to the qualified military project to the industrial  
64 development authority and the department of economic development annually for the term of the  
65 benefit;

66 (c) The process by which the industrial development authority shall monetize the tax  
67 credits annually and any transaction cost or administrative fee charged by the industrial  
68 development authority to the military on an annual basis;

69 (d) A requirement for the industrial development authority to provide proof to the  
70 department of economic development of the payment made to the qualified military project  
71 annually, including the amount of such payment;

72 (e) The schedule of the maximum amount of tax credits which may be authorized in each  
73 year for the project and the specified term of the benefit, as provided by the department of  
74 economic development; and

75 (f) A requirement that the annual benefit paid shall be the lesser of:

76 a. The maximum amount of tax credits authorized; or

77 b. The actual calculated benefit derived from the number of new jobs and average  
78 salaries;

79 (15) "NAICS" or "NAICS industry classification", the classification provided by the  
80 most recent edition of the North American Industry Classification System as prepared by the  
81 Executive Office of the President, Office of Management and Budget;

82 (16) "New capital investment", shall include costs incurred by the qualified company at  
83 the project facility after acceptance by the qualified company of the proposal for benefits from  
84 the department or the approval notice of intent, whichever occurs first, for real or personal  
85 property, and may include the value of finance or capital leases for real or personal property for  
86 the term of such lease at the project facility executed after acceptance by the qualified company  
87 of the proposal for benefits from the department or the approval of the notice of intent;

88 (17) "New direct local revenue", the present value of the dollar amount of direct net new  
89 tax revenues of the local political subdivisions likely to be produced by the project over a  
90 ten-year period as calculated by the department, excluding local earnings tax, and net new utility  
91 revenues, provided the local incentives include a discount or other direct incentives from utilities  
92 owned or operated by the political subdivision;

93 (18) "New job", the number of full-time employees located at the project facility that  
94 exceeds the project facility base employment less any decrease in the number of full-time  
95 employees at related facilities below the related facility base employment. No job that was  
96 created prior to the date of the notice of intent shall be deemed a new job;

97 (19) "New payroll", the amount of wages paid for all new jobs, located at the project  
98 facility during the qualified company's tax year that exceeds the project facility base payroll;

99 (20) "New product", a new model or line of a manufactured good that has not been  
100 manufactured in Missouri by a qualified manufacturing company at any time prior to the date of  
101 the notice of intent, or an existing brand, model, or line of a manufactured good that is  
102 redesigned;

103 (21) "Notice of intent", a form developed by the department and available online,  
104 completed by the qualified company, and submitted to the department stating the qualified  
105 company's intent to request benefits under this program. The notice of intent shall be  
106 accompanied with a detailed plan by the qualifying company to make good faith efforts to  
107 employ, at a minimum, commensurate with the percentage of minority populations in the state  
108 of Missouri, as reported in the previous decennial census, the following: racial minorities,  
109 contractors who are racial minorities, and contractors that, in turn, employ at a minimum racial  
110 minorities commensurate with the percentage of minority populations in the state of Missouri,  
111 as reported in the previous decennial census. At a minimum, such plan shall include monitoring  
112 the effectiveness of outreach and recruitment strategies in attracting diverse applicants and  
113 linking with different or additional referral sources in the event that recruitment efforts fail to  
114 produce a diverse pipeline of applicants;

115 (22) "Percent of local incentives", the amount of local incentives divided by the amount  
116 of new direct local revenue;

117 (23) "Program", the Missouri works program established in sections 620.2000 to  
118 620.2020;

119 (24) "Project facility", the building or buildings used by a qualified company at which  
120 new or retained jobs and any new capital investment are or will be located or by a qualified  
121 manufacturing company at which a manufacturing capital investment is or will be located. A  
122 project facility may include separate buildings located within sixty miles of each other such that  
123 their purpose and operations are interrelated; provided that where the buildings making up the



124 project facility are not located within the same county, the average wage of the new payroll shall  
125 exceed the applicable percentage of the highest county average wage among the counties in  
126 which the buildings are located. Upon approval by the department, a subsequent project facility  
127 may be designated if the qualified company demonstrates a need to relocate to the subsequent  
128 project facility at any time during the project period. For qualified military projects, the term  
129 "project facility" means the military base or installation at which such qualified military project  
130 is or shall be located;

131 (25) "Project facility base employment", the greater of the number of full-time  
132 employees located at the project facility on the date of the notice of intent or, for the  
133 twelve-month period prior to the date of the notice of intent, the average number of full-time  
134 employees located at the project facility. In the event the project facility has not been in  
135 operation for a full twelve-month period, the average number of full-time employees for the  
136 number of months the project facility has been in operation prior to the date of the notice of  
137 intent;

138 (26) "Project facility base payroll", the annualized payroll for the project facility base  
139 employment or the total amount of taxable wages paid by the qualified company to full-time  
140 employees of the qualified company located at the project facility in the twelve months prior to  
141 the notice of intent. For purposes of calculating the benefits under this program, the amount of  
142 base payroll shall increase each year based on an appropriate measure, as determined by the  
143 department;

144 (27) "Project period", the time period within which benefits are awarded to a qualified  
145 company or within which the qualified company is obligated to perform under an agreement with  
146 the department, whichever is greater;

147 (28) "Projected net fiscal benefit", the total fiscal benefit to the state less any state  
148 benefits offered to the qualified company, as determined by the department;

149 (29) "Qualified company", a firm, partnership, joint venture, association, private or  
150 public corporation whether organized for profit or not, or headquarters of such entity registered  
151 to do business in Missouri that is the owner or operator of a project facility, certifies that it offers  
152 health insurance to all full-time employees of all facilities located in this state, and certifies that  
153 it pays at least fifty percent of such insurance premiums. For the purposes of sections 620.2000  
154 to 620.2020, the term "qualified company" shall not include:

155 (a) Gambling establishments (NAICS industry group 7132);

156 (b) Store front consumer-based retail trade establishments (under NAICS sectors 44 and  
157 45), except with respect to any company headquartered in this state with a majority of its  
158 full-time employees engaged in operations not within the NAICS codes specified in this

159 subdivision, **and except for any such establishments located in a county of the third or**  
160 **fourth class;**

161 (c) Food and drinking places (NAICS subsector 722);

162 (d) Public utilities (NAICS 221 including water and sewer services);

163 (e) Any company that is delinquent in the payment of any nonprotested taxes or any  
164 other amounts due the state or federal government or any other political subdivision of this state;

165 (f) Any company requesting benefits for retained jobs that has filed for or has publicly  
166 announced its intention to file for bankruptcy protection. However, a company that has filed for  
167 or has publicly announced its intention to file for bankruptcy may be a qualified company  
168 provided that such company:

169 a. Certifies to the department that it plans to reorganize and not to liquidate; and

170 b. After its bankruptcy petition has been filed, it produces proof, in a form and at times  
171 satisfactory to the department, that it is not delinquent in filing any tax returns or making any  
172 payment due to the state of Missouri, including but not limited to all tax payments due after the  
173 filing of the bankruptcy petition and under the terms of the plan of reorganization. Any taxpayer  
174 who is awarded benefits under this subsection and who files for bankruptcy under Chapter 7 of  
175 the United States Bankruptcy Code, Title 11 U.S.C., shall immediately notify the department and  
176 shall forfeit such benefits and shall repay the state an amount equal to any state tax credits  
177 already redeemed and any withholding taxes already retained;

178 (g) Educational services (NAICS sector 61);

179 (h) Religious organizations (NAICS industry group 8131);

180 (i) Public administration (NAICS sector 92);

181 (j) Ethanol distillation or production;

182 (k) Biodiesel production; or

183 (l) Health care and social services (NAICS sector 62).

184

185 Notwithstanding any provision of this section to the contrary, the headquarters, administrative  
186 offices, or research and development facilities of an otherwise excluded business may qualify  
187 for benefits if the offices or facilities serve a multistate territory. In the event a national, state,  
188 or regional headquarters operation is not the predominant activity of a project facility, the jobs  
189 and investment of such operation shall be considered eligible for benefits under this section if  
190 the other requirements are satisfied;

191 (30) "Qualified manufacturing company", a company that:

192 (a) Is a qualified company that manufactures motor vehicles (NAICS group 3361);

193 (b) Manufactures goods at a facility in Missouri;

194 (c) Manufactures a new product or has commenced making a manufacturing capital  
195 investment to the project facility necessary for the manufacturing of such new product, or  
196 modifies or expands the manufacture of an existing product or has commenced making a  
197 manufacturing capital investment for the project facility necessary for the modification or  
198 expansion of the manufacture of such existing product; and

199 (d) Continues to meet the requirements of paragraphs (a) to (c) of this subdivision for  
200 the project period;

201 (31) "Qualified military project", the expansion or improvement of a military base or  
202 installation within this state that causes:

203 (a) An increase of ten or more military or civilian support personnel:

204 a. Whose average salaries equal or exceed ninety percent of the county average wage;  
205 and

206 b. Who are offered health insurance, with an entity of the United States Department of  
207 Defense paying at least fifty percent of such insurance premiums; and

208 (b) Investment in real or personal property at the base or installation expressly for the  
209 purposes of serving a new or expanded military activity or unit;

210 (32) "Related company", shall mean:

211 (a) A corporation, partnership, trust, or association controlled by the qualified company;

212 (b) An individual, corporation, partnership, trust, or association in control of the  
213 qualified company; or

214 (c) Corporations, partnerships, trusts or associations controlled by an individual,  
215 corporation, partnership, trust, or association in control of the qualified company. As used in this  
216 paragraph, "control of a qualified company" shall mean:

217 a. Ownership, directly or indirectly, of stock possessing at least fifty percent of the total  
218 combined voting power of all classes of stock entitled to vote in the case of a qualified company  
219 that is a corporation;

220 b. Ownership of at least fifty percent of the capital or profit interest in such qualified  
221 company if it is a partnership or association;

222 c. Ownership, directly or indirectly, of at least fifty percent of the beneficial interest in  
223 the principal or income of such qualified company if it is a trust, and ownership shall be  
224 determined as provided in Section 318 of the Internal Revenue Code of 1986, as amended;

225 (33) "Related facility", a facility operated by the qualified company or a related company  
226 located in this state that is directly related to the operations of the project facility or in which  
227 operations substantially similar to the operations of the project facility are performed;

228 (34) "Related facility base employment", the greater of the number of full-time  
229 employees located at all related facilities on the date of the notice of intent or, for the

230 twelve-month period prior to the date of the notice of intent, the average number of full-time  
 231 employees located at all related facilities of the qualified company or a related company located  
 232 in this state;

233 (35) "Related facility base payroll", the annualized payroll of the related facility base  
 234 payroll or the total amount of taxable wages paid by the qualified company to full-time  
 235 employees of the qualified company located at a related facility in the twelve months prior to the  
 236 filing of the notice of intent. For purposes of calculating the benefits under this program, the  
 237 amount of related facility base payroll shall increase each year based on an appropriate measure,  
 238 as determined by the department;

239 (36) "Rural area", a county in Missouri with a population less than seventy-five thousand  
 240 or that does not contain an individual city with a population greater than fifty thousand according  
 241 to the most recent federal decennial census;

242 (37) "Tax credits", tax credits issued by the department to offset the state taxes imposed  
 243 by chapters 143 and 148, or which may be sold or refunded as provided for in this program;

244 (38) "Withholding tax", the state tax imposed by sections 143.191 to 143.265. For  
 245 purposes of this program, the withholding tax shall be computed using a schedule as determined  
 246 by the department based on average wages.

247 2. This section is subject to the provisions of section 196.1127.

248 ~~[144.1000. Sections 144.1000 to 144.1015 shall be known as and referred~~  
 249 ~~to as the "Simplified Sales and Use Tax Administration Act".]~~

250  
 251 ~~[144.1003. As used in sections 144.1000 to 144.1015, the following~~  
 252 ~~terms shall mean:-~~

- 253 ~~\_\_\_\_\_ (1) "Agreement", the streamlined sales and use tax agreement;-~~
- 254 ~~\_\_\_\_\_ (2) "Certified automated system", software certified jointly by the states~~  
 255 ~~that are signatories to the agreement to calculate the tax imposed by each~~  
 256 ~~jurisdiction on a transaction, determine the amount of tax to remit to the~~  
 257 ~~appropriate state and maintain a record of the transaction;-~~
- 258 ~~\_\_\_\_\_ (3) "Certified service provider", an agent certified jointly by the states~~  
 259 ~~that are signatories to the agreement to perform all of the seller's sales tax~~  
 260 ~~functions;-~~
- 261 ~~\_\_\_\_\_ (4) "Person", an individual, trust, estate, fiduciary, partnership, limited~~  
 262 ~~liability company, limited liability partnership, corporation or any other legal~~  
 263 ~~entity;-~~
- 264 ~~\_\_\_\_\_ (5) "Sales tax", any sales tax levied pursuant to this chapter, section~~  
 265 ~~32.085, or any other sales tax authorized by statute and levied by this state or its~~  
 266 ~~political subdivisions;-~~
- 267 ~~\_\_\_\_\_ (6) "Seller", any person making sales, leases or rentals of personal~~  
 268 ~~property or services;-~~
- 269 ~~\_\_\_\_\_ (7) "State", any state of the United States and the District of Columbia;-~~

270 ~~————— (8) "Use tax", the use tax levied pursuant to this chapter.]~~

271

272 ~~[144.1006. For the purposes of reviewing and, if necessary, amending the~~  
273 ~~agreement embodying the simplification recommendations contained in section~~  
274 ~~144.1015, the state may enter into multistate discussions. For purposes of such~~  
275 ~~discussions, the state shall be represented by seven delegates, one of whom shall~~  
276 ~~be appointed by the governor, two members appointed by the speaker of the~~  
277 ~~house of representatives, one member appointed by the minority leader of the~~  
278 ~~house of representatives, two members appointed by the president pro tempore~~  
279 ~~of the senate and one member appointed by the minority leader of the senate.~~  
280 ~~The delegates need not be members of the general assembly and at least one of~~  
281 ~~the delegates appointed by the speaker of the house of representatives and one~~  
282 ~~member appointed by the president pro tempore of the senate shall be from the~~  
283 ~~private sector and represent the interests of Missouri businesses. The delegates~~  
284 ~~shall recommend to the committees responsible for reviewing tax issues in the~~  
285 ~~senate and the house of representatives each year any amendment of state statutes~~  
286 ~~required to be substantially in compliance with the agreement. Such delegates~~  
287 ~~shall make a written report by the fifteenth day of January each year regarding the~~  
288 ~~status of the multistate discussions and upon final adoption of the terms of the~~  
289 ~~sales and use tax agreement by the multistate body.]~~

290

291 ~~[144.1009. No provision of the agreement authorized by sections~~  
292 ~~144.1000 to 144.1015 in whole or in part invalidates or amends any provision of~~  
293 ~~the law of this state. Implementation of any condition of this agreement in this~~  
294 ~~state, whether adopted before, at, or after membership of this state in the~~  
295 ~~agreement, must be by action of the general assembly. Such report shall be~~  
296 ~~delivered to the governor, the secretary of state, the president pro tempore of the~~  
297 ~~senate and the speaker of the house of representatives and shall simultaneously~~  
298 ~~be made publicly available by the secretary of state to any person requesting a~~  
299 ~~copy.]~~

300

301 ~~[144.1012. Unless five of the seven delegates agree, the delegates shall~~  
302 ~~not enter into or vote for any streamlined sales and use tax agreement that:~~

303 ~~————— (1) Requires adoption of a definition of any term that would cause any~~  
304 ~~item or transaction that is now excluded or exempted from sales or use tax to~~  
305 ~~become subject to sales or use tax;~~

306 ~~————— (2) Requires the state of Missouri to fully exempt or fully apply sales~~  
307 ~~taxes to the sale of food or any other item;~~

308 ~~————— (3) Restricts the ability of local governments under statutes in effect on~~  
309 ~~August 28, 2002, to enact one or more local taxes on one or more items without~~  
310 ~~application of the tax to all sales within the taxing jurisdiction, however,~~  
311 ~~restriction of any such taxes allowed by statutes effective after August 28, 2002,~~  
312 ~~may be supported;~~

313 ~~\_\_\_\_\_ (4) Provides for adoption of any uniform rate structure that would result~~  
314 ~~in a tax increase for any Missouri taxpayer;~~  
315 ~~\_\_\_\_\_ (5) Affects the sourcing of sales tax transactions; or~~  
316 ~~\_\_\_\_\_ (6) Prohibits limitations or thresholds on the application of sales and use~~  
317 ~~tax rates or prohibits any current sales or use tax exemption in the state of~~  
318 ~~Missouri, including exemptions that are based on the value of the transaction or~~  
319 ~~item.]~~  
320  
321 ~~\_\_\_\_\_ [144.1015. In addition to the requirements of section 144.1012, the~~  
322 ~~delegates should consider the following features when deciding whether or not~~  
323 ~~to enter into any streamlined sales and use tax agreement:~~  
324 ~~\_\_\_\_\_ (1) The agreement should address the limitation of the number of state~~  
325 ~~rates over time;~~  
326 ~~\_\_\_\_\_ (2) The agreement should establish uniform standards for administration~~  
327 ~~of exempt sales and the form used for filing sales and use tax returns and~~  
328 ~~remittances;~~  
329 ~~\_\_\_\_\_ (3) The agreement should require the state to provide a central, electronic~~  
330 ~~registration system that allows a seller to register to collect and remit sales and~~  
331 ~~use taxes for all signatory states;~~  
332 ~~\_\_\_\_\_ (4) The agreement should provide that registration with the central~~  
333 ~~registration system and the collection of sales and use taxes in the signatory states~~  
334 ~~will not be used as a factor in determining whether the seller has nexus with a~~  
335 ~~state for any tax;~~  
336 ~~\_\_\_\_\_ (5) The agreement should provide for reduction of the burdens of~~  
337 ~~complying with local sales and use taxes through the following so long as they~~  
338 ~~do not conflict with the provisions of section 144.1012:~~  
339 ~~\_\_\_\_\_ (a) Restricting variances between the state and local tax bases;~~  
340 ~~\_\_\_\_\_ (b) Requiring states to administer any sales and use taxes levied by local~~  
341 ~~jurisdictions within the state so that sellers collecting and remitting these taxes~~  
342 ~~will not have to register or file returns with, remit funds to, or be subject to~~  
343 ~~independent audits from local taxing jurisdictions;~~  
344 ~~\_\_\_\_\_ (c) Restricting the frequency of changes in the local sales and use tax~~  
345 ~~rates and setting effective dates for the application of local jurisdictional~~  
346 ~~boundary changes to local sales and use taxes; and~~  
347 ~~\_\_\_\_\_ (d) Providing notice of changes in local sales and use tax rates and of~~  
348 ~~changes in the boundaries of local taxing jurisdictions;~~  
349 ~~\_\_\_\_\_ (6) The agreement should outline any monetary allowances that are to be~~  
350 ~~provided by the states to sellers or certified service providers. The agreement~~  
351 ~~must allow for a joint public and private sector study of the compliance cost on~~  
352 ~~sellers and certified service providers to collect sales and use taxes for state and~~  
353 ~~local governments under various levels of complexity to be completed by July 1,~~  
354 ~~2003;~~

- 355 ~~————— (7) The agreement should require each state to certify compliance with~~  
356 ~~the terms of the agreement prior to joining and to maintain compliance, under the~~  
357 ~~laws of the member state, with all provisions of the agreement while a member,~~  
358 ~~only if the agreement and any amendment thereto complies with the provisions~~  
359 ~~of section 144.1012;~~
- 360 ~~————— (8) The agreement should require each state to adopt a uniform policy for~~  
361 ~~certified service providers that protects the privacy of consumers and maintains~~  
362 ~~the confidentiality of tax information; and~~
- 363 ~~————— (9) The agreement should provide for the appointment of an advisory~~  
364 ~~council of private sector representatives and an advisory council of nonmember~~  
365 ~~state representatives to consult with in the administration of the agreement.]~~  
366

Section B. Notwithstanding the provisions of section 1.140 to the contrary, the  
2 provisions of Section A of this act shall be nonseverable, and if any provision is for any reason  
3 held to be invalid, such decision shall invalidate all of the remaining provisions of this act.

✓