

FIRST REGULAR SESSION

HOUSE BILL NO. 1033

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MCGAUGH.

2227H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 144.757, RSMo, and to enact in lieu thereof one new section relating to local use taxes.

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

Section A. Section 144.757, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 144.757, to read as follows:

144.757. 1. Any county or municipality, except municipalities within a county having a charter form of government with a population in excess of nine hundred thousand, may, by a majority vote of its governing body, impose a local use tax if a local sales tax is imposed as defined in section 32.085 at a rate equal to the rate of the local sales tax in effect in such county or municipality; provided, however, that no ordinance or order enacted pursuant to sections 144.757 to 144.761 shall be effective unless the governing body of the county or municipality submits to the voters thereof at a municipal, county or state general, primary or special election a proposal to authorize the governing body of the county or municipality to impose a local use tax pursuant to sections 144.757 to 144.761. Municipalities within a county having a charter form of government with a population in excess of nine hundred thousand may, upon voter approval received pursuant to paragraph (b) of subdivision (2) of subsection 2 of this section, impose a local use tax at the same rate as the local municipal sales tax with the revenues from all such municipal use taxes to be distributed pursuant to subsection 4 of section 94.890. The municipality shall within thirty days of the approval of the use tax imposed pursuant to paragraph (b) of subdivision (2) of subsection 2 of this section select one of the distribution options permitted in subsection 4 of section 94.890 for distribution of all municipal use taxes.

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

17 2. (1) The ballot of submission, except for counties and municipalities described in
18 subdivisions (2) and (3) of this subsection, shall contain substantially the following language:

19

20 Shall the _____ (county or municipality's name) impose a local use tax at the
21 same rate as the total local sales tax rate, [~~currently _____ (insert percent),~~
22 provided that if the local sales tax rate is reduced or raised by voter approval, the
23 local use tax rate shall also be reduced or raised by the same action? ~~[A use tax
24 return shall not be required to be filed by persons whose purchases from
25 out-of-state vendors do not in total exceed two thousand dollars in any calendar
26 year.]~~ **Approval of this question will eliminate the disparity in tax rates
27 collected by local and out-of-state sellers by imposing the same rate on all
28 sellers.**

29

YES

NO

30

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

33

34 (2) (a) The ballot of submission in a county having a charter form of government with
35 a population in excess of nine hundred thousand shall contain substantially the following
36 language:

37

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

49

50 A use tax is the equivalent of a sales tax on purchases from out-of-state sellers
51 by in-state buyers and on certain taxable business transactions. ~~[A use tax return
52 shall not be required to be filed by persons whose purchases from out-of-state~~

53 ~~vendors do not in total exceed two thousand dollars in any calendar year.]~~
 54 **Approval of this question will eliminate the disparity in tax rates collected**
 55 **by local and out-of-state sellers by imposing the same rate on all sellers.**

56 YES NO

57

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

60

61 (b) The ballot of submission in a municipality within a county having a charter form of
 62 government with a population in excess of nine hundred thousand shall contain substantially the
 63 following language:

64

65 Shall the municipality be authorized to impose a local use tax at the same rate as
 66 the local sales tax by a vote of the governing body, provided that if any local sales
 67 tax is repealed, reduced or raised by voter approval, the respective local use tax
 68 shall also be repealed, reduced or raised by the same action? ~~[A use tax return~~
 69 ~~shall not be required to be filed by persons whose purchases from out-of-state~~
 70 ~~vendors do not in total exceed two thousand dollars in any calendar year.]~~
 71 **Approval of this question will eliminate the disparity in tax rates collected**
 72 **by local and out-of-state sellers by imposing the same rate on all sellers.**

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

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

89 **collected by local and out-of-state sellers by imposing the same rate on all**
90 **sellers.**

91 YES

NO

92

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

95

96 (4) If any of such ballots are submitted on August 6, 1996, and if a majority of the votes
97 cast 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 October 1, 1996, provided the
99 director of revenue receives notice of adoption of the local use tax on or before August 16, 1996.
100 If any of such ballots are submitted after December 31, 1996, and if a majority of the votes cast
101 on the proposal by the qualified voters voting thereon are in favor of the proposal, then the
102 ordinance or order and any amendments thereto shall be in effect on the first day of the calendar
103 quarter which begins at least forty-five days after the director of revenue receives notice of
104 adoption of the local use tax. If a majority of the votes cast by the qualified voters voting are
105 opposed to the proposal, then the governing body of the county or municipality shall have no
106 power to impose the local use tax as herein authorized unless and until the governing body of the
107 county or municipality shall again have submitted another proposal to authorize the governing
108 body of the county or municipality to impose the local use tax and such proposal is approved by
109 a majority of the qualified voters voting thereon.

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

116 4. For purposes of sections 144.757 to 144.761, the use tax may be referred to or
117 described as the equivalent of a sales tax on purchases made from out-of-state sellers by in-state
118 buyers and on certain intrabusiness transactions. Such a description shall not change the
119 classification, form or subject of the use tax or the manner in which it is collected.

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