

FIRST REGULAR SESSION
[PERFECTED]
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NOS. 876, 771, 676 & 551
102ND GENERAL ASSEMBLY

1701H.02P

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 67.782, 67.783, 67.785, 67.1009, 67.1360, 94.838, 94.900, 94.902, 144.014, 144.030, 144.615, 190.327, and 321.246, RSMo, and to enact in lieu thereof fourteen new sections relating to sales taxes.

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

Section A. Sections 67.782, 67.783, 67.785, 67.1009, 67.1360, 94.838, 94.900, 94.902, 144.014, 144.030, 144.615, 190.327, and 321.246, RSMo, are repealed and fourteen new sections enacted in lieu thereof, to be known as sections 67.782, 67.783, 67.785, 67.1009, 67.1013, 67.1360, 94.838, 94.900, 94.902, 144.014, 144.030, 144.615, 190.327, and 321.246, to read as follows:

67.782. 1. **Pursuant to this section:**

(1) Any county ~~[of the third class having a population of]~~ **with** more than ~~[ten thousand and less than fifteen thousand and]~~ **nine thousand nine hundred but fewer than eleven thousand inhabitants and with a county seat with more than one thousand but fewer than one thousand five hundred inhabitants; or**

(2) Any county ~~[of the second class having a population of]~~ **with** more than ~~[fifty-eight thousand and less than seventy thousand adjacent to such third class county, both counties making up the same judicial circuit,]~~ **eighty thousand but fewer than one hundred thousand inhabitants and with a county seat with more than thirteen thousand but fewer than seventeen thousand inhabitants**

may ~~[jointly]~~ impose a sales tax ~~[throughout each of their respective counties]~~ for public recreational purposes including the financing, acquisition, construction, operation, and

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.

14 maintenance of recreational projects and programs, but the sales taxes authorized by this
15 section shall not become effective unless the governing body of ~~[each]~~ such county submits to
16 the voters ~~[of their respective counties]~~ a proposal to authorize ~~[the counties to impose]~~ the
17 sales tax.

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

19 Shall the County of _____ impose a sales tax of _____ percent ~~[in~~
20 ~~conjunction with the county of _____]~~ for the purpose of funding the
21 financing, acquisition, construction, operation, and maintenance of
22 recreational projects and programs, including the acquisition of land
23 for such purposes?

24 ☐ YES

☐ NO

25

26 If a ~~[separate]~~ majority of the votes cast on the proposal by the qualified voters voting thereon
27 ~~[in each county]~~ are in favor of the proposal, ~~[then]~~ the tax shall be in effect ~~[in both~~
28 ~~counties]~~. If a majority of the votes cast by the qualified voters voting thereon ~~[in either~~
29 ~~county]~~ are opposed to the proposal, ~~[then]~~ the governing body of ~~[neither]~~ the county shall
30 **not** have power to impose the sales tax ~~[authorized by this section]~~ unless or until the
31 ~~[governing body of the county that has not approved the tax shall]~~ **proposal is** again ~~[have]~~
32 submitted ~~[another proposal to authorize the governing body to impose the tax,]~~ and the
33 proposal is approved by a majority of the qualified voters voting thereon in that county.

34 3. The sales tax may be imposed at a rate of one percent on the receipts from the sale
35 at retail of all tangible personal property or taxable service at retail within the county adopting
36 such tax, if such property and services are subject to taxation by the state of Missouri under
37 the provisions of sections 144.010 to 144.525.

38 4. All sales taxes collected by the director of revenue under this section on behalf of
39 any county, less one percent for the cost of collection, which shall be deposited in the state's
40 general revenue fund after payment of premiums for surety bonds as provided in section
41 32.087, shall be deposited with the state treasurer in a special trust fund, which is hereby
42 created, to be known as the "County Recreation Sales Tax Trust Fund". The moneys in the
43 county recreation sales tax trust fund shall not be deemed to be state funds and shall not be
44 commingled with any funds of the state. The director of revenue shall keep accurate records
45 of the amount of money in the trust fund which was collected in each county imposing a sales
46 tax under this section, and the records shall be open to the inspection of officers of each
47 county and the general public. Not later than the tenth day of each month, the director of
48 revenue shall distribute all moneys deposited in the trust fund during the preceding month by
49 distributing to the county treasurer, or such other officer as may be designated by the county

50 ordinance or order, of each county imposing the tax authorized by this section, the sum, as
51 certified by the director of revenue, due the county.

52 5. The director of revenue may authorize the state treasurer to make refunds from the
53 amounts in the trust fund and credited to any county for erroneous payments and
54 overpayments made, and may redeem dishonored checks and drafts deposited to the credit of
55 such counties. Each county shall notify the director of revenue at least ninety days prior to
56 the effective date of the expiration of the sales tax authorized by this section and the director
57 of revenue may order retention in the trust fund, for a period of one year, of two percent of the
58 amount collected after receipt of such notice to cover possible refunds or overpayment of
59 such tax and to redeem dishonored checks and drafts deposited to the credit of such accounts.
60 After one year has elapsed after the date of expiration of the tax authorized by this section in
61 such county, the director of revenue shall remit the balance in the account to the county and
62 close the account of that county. The director of revenue shall notify each county of each
63 instance of any amount refunded or any check redeemed from receipts due the county.

64 6. The tax authorized by this section may be imposed, in accordance with this section,
65 by a county in addition to or in lieu of the tax authorized by sections 67.750 to 67.780.

66 7. Any county imposing a sales tax pursuant to the provisions of this section may
67 contract with the authority of any other county or with any city or political subdivision for the
68 financing, acquisition, operation, construction, maintenance, or utilization of any recreation
69 facility or project or program funded in whole or in part from revenues derived from the tax
70 levied pursuant to the provisions of this section.

71 8. The sales tax imposed pursuant to the provisions of this section shall expire
72 twenty-five years from the effective date thereof unless an extension of the tax is submitted to
73 and approved by the voters in each county in the manner provided in this section. Each
74 extension of the sales tax shall be for a period of ten years.

75 9. The governing body of each of the counties imposing a sales tax under the
76 provisions of this section may cooperate with the governing body of any county or other
77 political subdivision of this state in carrying out the provisions of this section, and may
78 establish and conduct jointly a system of public recreation. The respective governing bodies
79 administering programs jointly may provide by agreement among themselves for all matters
80 connected with the programs and determine what items of cost and expense shall be paid by
81 each.

82 10. The provisions of this section shall not in any way repeal, affect or limit the
83 powers granted to any county to establish, maintain and conduct parks and other recreational
84 grounds for public recreation.

85 11. Except as modified in this section, all provisions of sections 32.085 and 32.087
86 shall apply to the tax imposed under this section.

67.783. 1. There is hereby created within ~~[any county of the third class having a population of more than ten thousand and less than fifteen thousand and any county of the second class having a population of more than fifty-eight thousand and less than seventy thousand adjacent to such third class county, both counties making up the same judicial circuit,]~~ **the counties described under subsection 1 of section 67.782** a joint county recreational lake authority, which shall be a body corporate and politic and a political subdivision of this state.

2. Subject to the limitations in section 67.788, the authority may exercise its powers over the reservoir area encompassing any recreational lake and within five thousand feet of the conservation storage level of any recreational lake constructed or to be constructed by the authority pursuant to sections 67.781 to 67.790.

3. It shall be the purpose of each authority to promote the general welfare, to promote recreation and to encourage private capital investment through the construction, operation, and maintenance of a recreational lake and related improvements to be located ~~[jointly in the second class county and the third class county]~~ **in the counties described under subsection 1 of section 67.782.**

4. The income of the authority and all property at any time owned by the authority shall be exempt from all taxation or any assessments whatsoever to the state or of any political subdivision, municipality or other governmental agency thereof.

5. No county in which an authority is organized shall be held liable in connection with the construction, operation or maintenance of any project or program undertaken pursuant to sections 67.781 to 67.790, including any actions taken by the authority in connection with any project or program undertaken pursuant to sections 67.781 to 67.790.

67.785. 1. The authority shall consist of nine members, appointed or elected as follows:

(1) Within thirty days after approval by the voters of the sales tax authorized in section 67.782, the county commission of ~~[the second class]~~ **a county described under subdivision (2) of subsection 1 of section 67.782** shall initially appoint six members to the authority, with the terms of **members staggered such that the terms of** two members ~~[each expiring on December 31, 1992, December 31, 1994, and December 31, 1996]~~ **expire on December thirty-first of each even-numbered year.** The county commission of ~~[the third class]~~ **a county described under subdivision (1) of subsection 1 of section 67.782** shall initially appoint three members to the authority, with the terms of **members staggered such that the term of** one member ~~[each expiring on December 31, 1992, December 31, 1994, and December 31, 1996]~~ **expires on December thirty-first of each even-numbered year;**

13 (2) As the term of each initial member expires, new members shall be elected from
14 each county. Each elected member shall serve a six-year term and until his **or her** successor
15 is duly elected and qualified.

16 2. A person, to be qualified to serve as a member, shall be a voter of the state for more
17 than five years prior to his **or her** election or appointment, shall be a resident in the county
18 which he **or she** will represent for more than five years and shall be over the age of twenty-
19 five years. If any member moves outside the county from which he **or she** was appointed or
20 elected, his **or her** seat shall be deemed vacant and a new member shall be appointed by the
21 county commission of such county to complete his **or her** unexpired term.

22 3. A person desiring to become a candidate for the authority shall pay the sum of five
23 dollars as a filing fee to the treasurer of the county in which he **or she** resides, and shall file
24 with the election authority a statement under oath that he **or she** possesses all of the
25 qualifications set out in sections 67.781 to 67.790 for a member of the authority. Thereafter,
26 he **or she** shall have his **or her** name placed on the ballot as a candidate.

27 4. If six or more persons from [~~the second class~~] a county **described under**
28 **subdivision (2) of subsection 1 of section 67.782** file as candidates, a primary election shall
29 be held in August, and the four candidates who receive the most votes shall be candidates at
30 the general election. If two or more candidates receive an equal number of votes, and if that
31 number of votes would otherwise qualify each tied candidate for a position on the general
32 election ballot, all such tied candidates shall be included on the general election ballot. The
33 two candidates from the [~~second class~~] county receiving the most votes in the general election
34 shall be declared the winners.

35 5. If four or more persons from [~~the third class~~] a county **described under**
36 **subdivision (1) of subsection 1 of section 67.782** file as candidates, a primary election shall
37 be held in August, and the two candidates who receive the most votes shall be candidates at
38 the general election. If two or more candidates receive an equal number of votes, and if that
39 number of votes would otherwise qualify each tied candidate for a position on the general
40 election ballot, all such tied candidates shall be included on the general election ballot. The
41 candidate from the [~~second class~~] county receiving the most votes in the general election shall
42 be declared the winner.

67.1009. 1. The governing body of the following cities may impose a tax as provided
2 in this section:

3 (1) Any city of the fourth classification with more than eight hundred thirty but fewer
4 than nine hundred inhabitants and located in any county with a charter form of government
5 and with more than nine hundred fifty thousand inhabitants;

6 (2) Any city of the fourth classification with more than four thousand fifty but fewer
7 than four thousand two hundred inhabitants and located in any county with a charter form of
8 government and with more than nine hundred fifty thousand inhabitants;

9 (3) Any city with more than two thousand seven hundred but fewer than three
10 thousand inhabitants and located in a county with more than fifty thousand but fewer
11 than sixty thousand inhabitants and with a county seat with more than seventeen
12 thousand but fewer than twenty-one thousand inhabitants; or

13 (4) Any city with more than forty thousand but fewer than forty-six thousand
14 inhabitants and located in a county with more than four hundred thousand but fewer
15 than five hundred thousand inhabitants.

16 2. The governing body of any city listed in subsection 1 of this section may impose a
17 tax on the charges for all sleeping rooms paid by the transient guests of hotels or motels
18 situated in the city, which shall be not more than six-tenths of one percent per occupied room
19 per night~~], except that~~ **for cities described under subdivision (1) or (2) of subsection 1 of**
20 **this section and not more than six percent per occupied room per night for cities**
21 **described under subdivision (3) of subsection 1 of this section.** Such tax shall not become
22 effective unless the governing body of the city or county submits to the voters of the city or
23 county at a state general or primary election a proposal to authorize the governing body of the
24 city to impose a tax pursuant to this section. The tax authorized by this section shall be in
25 addition to the charge for the sleeping room and shall be in addition to any and all taxes
26 imposed by law. Such tax shall be stated separately from all other charges and taxes. **For**
27 **cities described under subdivision (3) of subsection 1 of this section, the revenue of the**
28 **tax shall be used only for the purposes of promoting tourism, promoting economic**
29 **development, and promoting the retention and growth of any military base near the city.**

30 3. The ballot of submission for any tax authorized in this section shall be in
31 substantially the following form:

32 Shall (insert the name of the city) impose a tax on the charges for all
33 sleeping rooms paid by the transient guests of hotels and motels
34 situated in (name of city) at a rate of (insert **proposed rate** ~~of percent~~
35 ~~up to six tenths of one percent~~) **(for the purpose of promoting**
36 **tourism, promoting economic development, and promoting**
37 **retention and growth of (insert name of military base))?**

38 ☐ YES ☐ NO

39

40 If a majority of the votes cast on the question by the qualified voters voting thereon are in
41 favor of the question, then the tax shall become effective on the first day of the second
42 calendar quarter following the calendar quarter in which the election was held. If a majority

43 of the votes cast on the question by the qualified voters voting thereon are opposed to the
44 question, then the tax shall not become effective unless and until the question is resubmitted
45 under this section to the qualified voters and such question is approved by a majority of the
46 qualified voters voting on the question.

47 4. As used in this section, "transient guests" means a person or persons who occupy a
48 room or rooms in a hotel or motel for thirty-one days or less during any calendar quarter.

**67.1013. 1. The governing body of any city with more than ten thousand but
2 fewer than eleven thousand inhabitants and that is the county seat of a county with more
3 than one hundred thousand but fewer than one hundred twenty thousand inhabitants
4 may impose a tax as provided in this section.**

5 **2. The governing body of any city described in subsection one of this section may
6 impose a tax on the charges for all sleeping rooms paid by the transient guests of hotels
7 or motels situated in the city or a portion thereof, which shall be not more than six
8 percent per occupied room per night. Such tax shall not become effective unless the
9 governing body of the city submits to the voters of the city at a state, municipal, general
10 or primary election a proposal to authorize the governing body of the city to impose the
11 tax pursuant to this section. The tax authorized by this section shall be in addition to the
12 charge for the sleeping room and shall be in addition to any and all other taxes. Such
13 tax shall be stated separately from all other charges and taxes.**

14 **3. The ballot submission for the tax authorized in this section shall be in
15 substantially the following form:**

16 **Shall (insert name of the city) impose a tax on the charges for all sleeping
17 rooms paid by the transient guests of hotels and motels situated in (name
18 of city) at a rate of (insert rate of percent) percent?**

19 **___ YES ___ NO**

20

21 **If a majority of the votes cast on the question by the qualified voters voting thereon are
22 in favor of the question, then the tax shall become effective on the first day of the second
23 calendar quarter following the calendar quarter in which the election was held. If a
24 majority of the votes cast on the question by the qualified voters voting thereon are
25 opposed to the question, then the tax authorized by this section shall not become
26 effective unless and until the question is resubmitted under this section to the qualified
27 voters of the city and such question is approved by a majority of the qualified voters of
28 the city voting on the question.**

29 **4. As used in this section, "transient guests" means a person or persons who
30 occupy a room or rooms in a hotel or motel for thirty-one days or less during any
31 calendar quarter.**

67.1360. 1. The governing body of the following cities and counties may impose a
2 tax as provided in this section:

3 (1) A city with a population of more than seven thousand and less than seven
4 thousand five hundred;

5 (2) A county with a population of over nine thousand six hundred and less than
6 twelve thousand which has a total assessed valuation of at least sixty-three million dollars, if
7 the county submits the issue to the voters of such county prior to January 1, 2003;

8 (3) A third class city which is the county seat of a county of the third classification
9 without a township form of government with a population of at least twenty-five thousand but
10 not more than thirty thousand inhabitants;

11 (4) Any fourth class city having, according to the last federal decennial census, a
12 population of more than one thousand eight hundred fifty inhabitants but less than one
13 thousand nine hundred fifty inhabitants in a county of the first classification with a charter
14 form of government and having a population of greater than six hundred thousand but less
15 than nine hundred thousand inhabitants;

16 (5) Any city having a population of more than three thousand but less than eight
17 thousand inhabitants in a county of the fourth classification having a population of greater
18 than forty-eight thousand inhabitants;

19 (6) Any city having a population of less than two hundred fifty inhabitants in a county
20 of the fourth classification having a population of greater than forty-eight thousand
21 inhabitants;

22 (7) Any fourth class city having a population of more than two thousand five hundred
23 but less than three thousand inhabitants in a county of the third classification having a
24 population of more than twenty-five thousand but less than twenty-seven thousand
25 inhabitants;

26 (8) Any third class city with a population of more than three thousand two hundred
27 but less than three thousand three hundred located in a county of the third classification
28 having a population of more than thirty-five thousand but less than thirty-six thousand;

29 (9) Any county of the second classification without a township form of government
30 and a population of less than thirty thousand;

31 (10) Any city of the fourth class in a county of the second classification without a
32 township form of government and a population of less than thirty thousand;

33 (11) Any county of the third classification with a township form of government and a
34 population of at least twenty-eight thousand but not more than thirty thousand;

35 (12) Any city of the fourth class with a population of more than one thousand eight
36 hundred but less than two thousand in a county of the third classification with a township

37 form of government and a population of at least twenty-eight thousand but not more than
38 thirty thousand;

39 (13) Any city of the third class with a population of more than seven thousand two
40 hundred but less than seven thousand five hundred within a county of the third classification
41 with a population of more than twenty-one thousand but less than twenty-three thousand;

42 (14) Any fourth class city having a population of more than two thousand eight
43 hundred but less than three thousand one hundred inhabitants in a county of the third
44 classification with a township form of government having a population of more than eight
45 thousand four hundred but less than nine thousand inhabitants;

46 (15) Any fourth class city with a population of more than four hundred seventy but
47 less than five hundred twenty inhabitants located in a county of the third classification with a
48 population of more than fifteen thousand nine hundred but less than sixteen thousand
49 inhabitants;

50 (16) Any third class city with a population of more than three thousand eight hundred
51 but less than four thousand inhabitants located in a county of the third classification with a
52 population of more than fifteen thousand nine hundred but less than sixteen thousand
53 inhabitants;

54 (17) Any fourth class city with a population of more than four thousand three hundred
55 but less than four thousand five hundred inhabitants located in a county of the third
56 classification without a township form of government with a population greater than sixteen
57 thousand but less than sixteen thousand two hundred inhabitants;

58 (18) Any fourth class city with a population of more than two thousand four hundred
59 but less than two thousand six hundred inhabitants located in a county of the first
60 classification without a charter form of government with a population of more than fifty-five
61 thousand but less than sixty thousand inhabitants;

62 (19) Any fourth class city with a population of more than two thousand five hundred
63 but less than two thousand six hundred inhabitants located in a county of the third
64 classification with a population of more than nineteen thousand one hundred but less than
65 nineteen thousand two hundred inhabitants;

66 (20) Any county of the third classification without a township form of government
67 with a population greater than sixteen thousand but less than sixteen thousand two hundred
68 inhabitants;

69 (21) Any county of the second classification with a population of more than forty-
70 four thousand but less than fifty thousand inhabitants;

71 (22) Any third class city with a population of more than nine thousand five hundred
72 but less than nine thousand seven hundred inhabitants located in a county of the first
73 classification without a charter form of government and with a population of more than one

74 hundred ninety-eight thousand but less than one hundred ninety-eight thousand two hundred
75 inhabitants;

76 (23) Any city of the fourth classification with more than five thousand two hundred
77 but less than five thousand three hundred inhabitants located in a county of the third
78 classification without a township form of government and with more than twenty-four
79 thousand five hundred but less than twenty-four thousand six hundred inhabitants;

80 (24) Any third class city with a population of more than nineteen thousand nine
81 hundred but less than twenty thousand in a county of the first classification without a charter
82 form of government and with a population of more than one hundred ninety-eight thousand
83 but less than one hundred ninety-eight thousand two hundred inhabitants;

84 (25) Any city of the fourth classification with more than two thousand six hundred
85 but less than two thousand seven hundred inhabitants located in any county of the third
86 classification without a township form of government and with more than fifteen thousand
87 three hundred but less than fifteen thousand four hundred inhabitants;

88 (26) Any county of the third classification without a township form of government
89 and with more than fourteen thousand nine hundred but less than fifteen thousand inhabitants;

90 (27) Any city of the fourth classification with more than five thousand four hundred
91 but fewer than five thousand five hundred inhabitants and located in more than one county;

92 (28) Any city of the fourth classification with more than six thousand three hundred
93 but fewer than six thousand five hundred inhabitants and located in more than one county
94 through the creation of a tourism district which may include, in addition to the geographic
95 area of such city, the area encompassed by the portion of the school district, located within a
96 county of the first classification with more than ninety-three thousand eight hundred but
97 fewer than ninety-three thousand nine hundred inhabitants, having an average daily
98 attendance for school year 2005-06 between one thousand eight hundred and one thousand
99 nine hundred;

100 (29) Any city of the fourth classification with more than seven thousand seven
101 hundred but less than seven thousand eight hundred inhabitants located in a county of the first
102 classification with more than ninety-three thousand eight hundred but less than ninety-three
103 thousand nine hundred inhabitants;

104 (30) Any city of the fourth classification with more than two thousand nine hundred
105 but less than three thousand inhabitants located in a county of the first classification with
106 more than seventy-three thousand seven hundred but less than seventy-three thousand eight
107 hundred inhabitants;

108 (31) Any city of the third classification with more than nine thousand three hundred
109 but less than nine thousand four hundred inhabitants;

110 (32) Any city of the fourth classification with more than three thousand eight hundred
111 but fewer than three thousand nine hundred inhabitants and located in any county of the first
112 classification with more than thirty-nine thousand seven hundred but fewer than thirty-nine
113 thousand eight hundred inhabitants;

114 (33) Any city of the fourth classification with more than one thousand eight hundred
115 but fewer than one thousand nine hundred inhabitants and located in any county of the first
116 classification with more than one hundred thirty-five thousand four hundred but fewer than
117 one hundred thirty-five thousand five hundred inhabitants;

118 (34) Any county of the third classification without a township form of government
119 and with more than twelve thousand one hundred but fewer than twelve thousand two
120 hundred inhabitants;

121 (35) Any city of the fourth classification with more than three thousand eight hundred
122 but fewer than four thousand inhabitants and located in more than one county; provided,
123 however, that motels owned by not-for-profit organizations are exempt;

124 (36) Any city of the fourth classification with more than five thousand but fewer than
125 five thousand five hundred inhabitants and located in any county with a charter form of
126 government and with more than two hundred thousand but fewer than three hundred fifty
127 thousand inhabitants; ~~[or]~~

128 (37) Any city with more than four thousand but fewer than five thousand five hundred
129 inhabitants and located in any county of the fourth classification with more than thirty
130 thousand but fewer than forty-two thousand inhabitants; **or**

131 **(38) Any city with more than eight thousand but fewer than nine thousand**
132 **inhabitants and partially located in a county with more than nineteen thousand but**
133 **fewer than twenty-two thousand inhabitants.**

134 2. The governing body of any city or county listed in subsection 1 of this section may
135 impose a tax on the charges for all sleeping rooms paid by the transient guests of hotels,
136 motels, bed and breakfast inns, and campgrounds and any docking facility that rents slips to
137 recreational boats that are used by transients for sleeping, which shall be at least two percent
138 but not more than five percent per occupied room per night, except that such tax shall not
139 become effective unless the governing body of the city or county submits to the voters of the
140 city or county at a state general, primary, or special election, a proposal to authorize the
141 governing body of the city or county to impose a tax pursuant to the provisions of this section
142 and section 67.1362. The tax authorized by this section and section 67.1362 shall be in
143 addition to any charge paid to the owner or operator and shall be in addition to any and all
144 taxes imposed by law and the proceeds of such tax shall be used by the city or county solely
145 for funding the promotion of tourism. Such tax shall be stated separately from all other
146 charges and taxes.

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

2 (1) "Food", all articles commonly used for food or drink, including alcoholic
3 beverages, the provisions of chapter 311 notwithstanding;

4 (2) "Food establishment", any cafe, cafeteria, lunchroom, or restaurant which sells
5 food at retail;

6 (3) "Municipality", any ~~[village or fourth class city with more than two hundred but~~
7 ~~less than three hundred inhabitants and located in any county of the third classification with a~~
8 ~~township form of government and with more than twelve thousand five hundred but less than~~
9 ~~twelve thousand six hundred inhabitants]~~ **city with more than one hundred sixty-five but**
10 **fewer than one hundred eighty-five inhabitants and located in a county with more than**
11 **eleven thousand but fewer than twelve thousand five hundred inhabitants and with a**
12 **county seat with more than four thousand but fewer than five thousand inhabitants;**

13 (4) "Transient guest", a person or persons who occupy a room or rooms in a hotel or
14 motel for thirty-one days or less during any calendar quarter.

15 2. The governing body of any municipality may impose, by order or ordinance:

16 (1) A tax, not to exceed six percent per room per night, on the charges for all sleeping
17 rooms paid by the transient guests of hotels or motels situated in the municipality or a portion
18 thereof; and

19 (2) A tax, not to exceed ~~[two]~~ **six** percent, on the gross receipts derived from the retail
20 sales of food by every person operating a food establishment in the municipality.

21
22 The taxes shall be imposed ~~[solely]~~ for ~~[the purpose of funding the construction, maintenance,~~
23 ~~and operation of capital improvements]~~ **general revenue purposes**. The order or ordinance
24 shall not become effective unless the governing body of the municipality submits to the voters
25 of the municipality at a state general or primary election a proposal to authorize the governing
26 body of the municipality to impose taxes under this section. The taxes authorized in this
27 section shall be in addition to the charge for the sleeping room, the retail sales of food at a
28 food establishment, and all other taxes imposed by law, and shall be stated separately from all
29 other charges and taxes.

30 3. The ballot of submission for the taxes authorized in this section shall be in
31 substantially the following form:

32 Shall _____ (insert the name of the municipality) impose a tax on the
33 charges for all retail sales of food at a food establishment situated in _
34 _____ (name of municipality) at a rate of _____ (insert rate of
35 percent) percent, and for all sleeping rooms paid by the transient
36 guests of hotels and motels situated in _____ (name of municipality)
37 at a rate of _____ (insert rate of percent) percent, solely for the

38 purpose of ~~[funding the construction, maintenance, and operation of~~
39 ~~capital improvements]~~ **increasing general revenue funds?**

40 ☐ YES ☐ NO

41

42 If a majority of the votes cast on the question by the qualified voters voting thereon are in
43 favor of the question, then the taxes shall become effective on the first day of the second
44 calendar quarter after the director of revenue receives notice of the adoption of the taxes. If a
45 majority of the votes cast on the question by the qualified voters voting thereon are opposed
46 to the question, then the taxes shall not become effective unless and until the question is
47 resubmitted under this section to the qualified voters and such question is approved by a
48 majority of the qualified voters voting on the question.

49 4. Any tax on the retail sales of food imposed under this section shall be administered,
50 collected, enforced, and operated as required in section 32.087, and any transient guest tax
51 imposed under this section shall be administered, collected, enforced, and operated by the
52 municipality imposing the tax. All revenue generated by the tax shall be deposited in a
53 special trust fund and shall be used solely for the designated purposes. If the tax is repealed,
54 all funds remaining in the special trust fund shall continue to be used solely for the designated
55 purposes. Any funds in the special trust fund which are not needed for current expenditures
56 may be invested in the same manner as other funds are invested. Any interest and moneys
57 earned on such investments shall be credited to the fund.

58 5. Once the initial bonds, if any, have been satisfied, then the governing body of any
59 municipality that has adopted the taxes authorized in this section may submit the question of
60 repeal of the taxes to the voters on any date available for elections for the municipality. The
61 ballot of submission shall be in substantially the following form:

62 Shall _____ (insert the name of the municipality) repeal the taxes
63 imposed at the rates of _____ (insert rate of percent) and _____
64 (insert rate of percent) percent for the purpose of ~~[funding the~~
65 ~~construction, maintenance, and operation of capital improvements]~~
66 **increasing general revenue funds?**

67 ☐ YES ☐ NO

68

69 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become
70 effective on December thirty-first of the calendar year in which such repeal was approved. If
71 a majority of the votes cast on the question by the qualified voters voting thereon are opposed
72 to the repeal, then the tax authorized in this section shall remain effective until the question is

73 resubmitted under this section to the qualified voters, and the repeal is approved by a majority
74 of the qualified voters voting on the question.

75 6. Once the initial bonds, if any, have been satisfied, then, whenever the governing
76 body of any municipality that has adopted the taxes authorized in this section receives a
77 petition, signed by ten percent of the registered voters of the municipality voting in the last
78 gubernatorial election, calling for an election to repeal the taxes imposed under this section,
79 the governing body shall submit to the voters of the municipality a proposal to repeal the
80 taxes. If a majority of the votes cast on the question by the qualified voters voting thereon are
81 in favor of the repeal, that repeal shall become effective on December thirty-first of the
82 calendar year in which such repeal was approved. If a majority of the votes cast on the
83 question by the qualified voters voting thereon are opposed to the repeal, then the tax shall
84 remain effective until the question is resubmitted under this section to the qualified voters and
85 the repeal is approved by a majority of the qualified voters voting on the question.

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

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

7 (b) Any city of the fourth classification with more than four thousand five hundred
8 but fewer than five thousand inhabitants;

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

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

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

15 (f) Any city of the fourth classification with more than thirteen thousand five hundred
16 but fewer than sixteen thousand inhabitants;

17 (g) Any city of the fourth classification with more than seven thousand but fewer than
18 eight thousand inhabitants;

19 (h) Any city of the fourth classification with more than four thousand but fewer than
20 four thousand five hundred inhabitants and located in any county of the first classification
21 with more than one hundred fifty thousand but fewer than two hundred thousand inhabitants;

22 (i) Any city of the third classification with more than thirteen thousand but fewer than
23 fifteen thousand inhabitants and located in any county of the third classification without a

24 township form of government and with more than thirty-three thousand but fewer than thirty-
25 seven thousand inhabitants; ~~[or]~~

26 (j) Any city of the fourth classification with more than three thousand but fewer than
27 three thousand three hundred inhabitants and located in any county of the third classification
28 without a township form of government and with more than eighteen thousand but fewer than
29 twenty thousand inhabitants and that is not the county seat of such county;

30 (k) Any city with more than ten thousand but fewer than eleven thousand
31 inhabitants and partially located in a county with more than two hundred thirty
32 thousand but fewer than two hundred sixty thousand inhabitants;

33 (l) Any city with more than four thousand nine hundred but fewer than five
34 thousand six hundred inhabitants and located in a county with more than thirty
35 thousand but fewer than thirty-five thousand inhabitants; or

36 (m) Any city with more than twelve thousand five hundred but fewer than
37 fourteen thousand inhabitants and that is the county seat of a county with more than
38 twenty-two thousand but fewer than twenty-five thousand inhabitants.

39 (2) The governing body of any city listed in subdivision (1) of this subsection is
40 hereby authorized to impose, by ordinance or order, a sales tax in the amount of up to one-half
41 of one percent on all retail sales made in such city which are subject to taxation under the
42 provisions of sections 144.010 to 144.525 for the purpose of improving the public safety for
43 such city, ~~[including but not]~~ **which shall be** limited to expenditures on equipment, ~~[city~~
44 ~~employee]~~ salaries and benefits, and facilities for police, fire and emergency medical
45 providers. The tax authorized by this section shall be in addition to any and all other sales
46 taxes allowed by law, except that no ordinance or order imposing a sales tax pursuant to the
47 provisions of this section shall be effective unless the governing body of the city submits to
48 the voters of the city, at a county or state general, primary or special election, a proposal to
49 authorize the governing body of the city to impose a tax.

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

53 Shall the city of _____ (city's name) impose a citywide sales tax
54 of _____ (insert amount) for the purpose of improving the public
55 safety of the city?

56 ☐ YES ☐ NO

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

60

61 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in
62 favor of the proposal submitted pursuant to this subsection, then the ordinance or order and
63 any amendments thereto shall be in effect on the first day of the second calendar quarter after
64 the director of revenue receives notification of adoption of the local sales tax. If a proposal
65 receives less than the required majority, then the governing body of the city shall have no
66 power to impose the sales tax herein authorized unless and until the governing body of the
67 city shall again have submitted another proposal to authorize the governing body of the city to
68 impose the sales tax authorized by this section and such proposal is approved by the required
69 majority of the qualified voters voting thereon. However, in no event shall a proposal
70 pursuant to this section be submitted to the voters sooner than twelve months from the date of
71 the last proposal pursuant to this section.

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

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

80 5. All sales taxes collected by the director of the department of revenue under this
81 section on behalf of any city, less one percent for cost of collection which shall be deposited
82 in the state's general revenue fund after payment of premiums for surety bonds as provided in
83 section 32.087, shall be deposited in a special trust fund, which is hereby created, to be
84 known as the "City Public Safety Sales Tax Trust Fund". The moneys in the trust fund shall
85 not be deemed to be state funds and shall not be commingled with any funds of the state. The
86 provisions of section 33.080 to the contrary notwithstanding, money in this fund shall not be
87 transferred and placed to the credit of the general revenue fund. The director of the
88 department of revenue shall keep accurate records of the amount of money in the trust and
89 which was collected in each city imposing a sales tax pursuant to this section, and the records
90 shall be open to the inspection of officers of the city and the public. Not later than the tenth
91 day of each month the director of the department of revenue shall distribute all moneys
92 deposited in the trust fund during the preceding month to the city which levied the tax; such
93 funds shall be deposited with the city treasurer of each such city, and all expenditures of funds
94 arising from the trust fund shall be by an appropriation act to be enacted by the governing
95 body of each such city. Expenditures may be made from the fund for any functions
96 authorized in the ordinance or order adopted by the governing body submitting the tax to the
97 voters.

6. The director of the department of revenue may make refunds from the amounts in the trust fund and credited to any city for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such cities. If any city abolishes the tax, the city shall notify the director of the department of revenue of the action at least ninety days prior to the effective date of the repeal and the director of the department of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of the tax in such city, the director of the department of revenue shall remit the balance in the account to the city and close the account of that city. The director of the department of revenue shall notify each city of each instance of any amount refunded or any check redeemed from receipts due the city.

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

8. If any city in subsection 1 of this section enacts the tax authorized in this section, the city shall budget an amount to public safety that is no less than the amount budgeted in the year immediately preceding the enactment of the tax. The revenue from the tax shall supplement and not replace amounts budgeted by the city.

94.902. 1. The governing bodies of the following cities may impose a tax as provided in this section:

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

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

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

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

(5) Any city of the third classification with more than four thousand but fewer than four thousand five hundred inhabitants and located in any county of the first classification with more than two hundred thousand but fewer than two hundred sixty thousand inhabitants;

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

(7) Any city of the fourth classification with more than five hundred eighty but fewer than six hundred fifty inhabitants;

18 (8) Any city of the fourth classification with more than two thousand seven hundred
19 but fewer than three thousand inhabitants and located in any county of the first classification
20 with more than eighty-three thousand but fewer than ninety-two thousand inhabitants; ~~or~~

21 (9) Any city of the fourth classification with more than two thousand four hundred
22 but fewer than two thousand seven hundred inhabitants and located in any county of the third
23 classification without a township form of government and with more than ten thousand but
24 fewer than twelve thousand inhabitants;

25 **(10) Any city with more than one thousand sixty but fewer than one thousand**
26 **one hundred seventy inhabitants and located in a county with more than nineteen**
27 **thousand but fewer than twenty-two thousand inhabitants and with a county seat with**
28 **more than one thousand but fewer than two thousand two hundred twenty inhabitants;**

29 **(11) Any city with more than four hundred eighty but fewer than five hundred**
30 **forty inhabitants and located in a county with more than thirty thousand but fewer than**
31 **thirty-five thousand inhabitants and with a county seat with more than two hundred but**
32 **fewer than nine hundred inhabitants; or**

33 **(12) Any city with more than nine thousand but fewer than ten thousand**
34 **inhabitants and that is the county seat of a county with more than nineteen thousand but**
35 **fewer than twenty-two thousand inhabitants.**

36 2. The governing body of any city listed in subsection 1 of this section may impose,
37 by order or ordinance, a sales tax on all retail sales made in the city which are subject to
38 taxation under chapter 144. The tax authorized in this section may be imposed in an amount
39 of up to one-half of one percent~~[and]~~. **The tax** shall be imposed solely for the purpose of
40 improving the public safety for such city, including but not limited to expenditures on
41 equipment~~];~~ city employee salaries and benefits~~];~~ and facilities for police, fire and
42 emergency medical providers. The tax authorized in this section shall be in addition to all
43 other sales taxes imposed by law, and shall be stated separately from all other charges and
44 taxes. The order or ordinance imposing a sales tax under this section shall not become
45 effective unless the governing body of the city submits to the voters residing within the city,
46 at a county or state general, primary, or special election, a proposal to authorize the governing
47 body of the city to impose a tax under this section.

48 3. The ballot of submission for the tax authorized in this section shall be in
49 substantially the following form:

50 Shall the city of _____ ~~[(city's name)]~~ impose a citywide sales tax at a rate of _____
51 ~~[(insert rate of percent)]~~ percent for the purpose of improving the public safety of the
52 city?

53 ☐ YES

☐ NO

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

56

57 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in
58 favor of the proposal, then the ordinance or order and any amendments to the order or
59 ordinance shall become effective on the first day of the second calendar quarter after the
60 director of revenue receives notice of the adoption of the sales tax. If a majority of the votes
61 cast on the proposal by the qualified voters voting thereon are opposed to the proposal, then
62 the tax shall not become effective unless the proposal is resubmitted under this section to the
63 qualified voters and such proposal is approved by a majority of the qualified voters voting on
64 the proposal. However, in no event shall a proposal under this section be submitted to the
65 voters sooner than twelve months from the date of the last proposal under this section.

66 4. Any sales tax imposed under this section shall be administered, collected, enforced,
67 and operated as required in section 32.087. All sales taxes collected by the director of the
68 department of revenue under this section on behalf of any city, less one percent for cost of
69 collection which shall be deposited in the state's general revenue fund after payment of
70 premiums for surety bonds as provided in section 32.087, shall be deposited in a special trust
71 fund, which is hereby created in the state treasury, to be known as the "City Public Safety
72 Sales Tax Trust Fund". The moneys in the trust fund shall not be deemed to be state funds
73 and shall not be commingled with any funds of the state. The provisions of section 33.080 to
74 the contrary notwithstanding, money in this fund shall not be transferred and placed to the
75 credit of the general revenue fund. The director shall keep accurate records of the amount of
76 money in the trust fund and which was collected in each city imposing a sales tax under this
77 section, and the records shall be open to the inspection of officers of the city and the public.
78 Not later than the tenth day of each month the director shall distribute all moneys deposited in
79 the trust fund during the preceding month to the city which levied the tax. Such funds shall be
80 deposited with the city treasurer of each such city, and all expenditures of funds arising from
81 the trust fund shall be by an appropriation act to be enacted by the governing body of each
82 such city. Expenditures may be made from the fund for any functions authorized in the
83 ordinance or order adopted by the governing body submitting the tax to the voters. If the tax
84 is repealed, all funds remaining in the special trust fund shall continue to be used solely for
85 the designated purposes. Any funds in the special trust fund which are not needed for current
86 expenditures shall be invested in the same manner as other funds are invested. Any interest
87 and moneys earned on such investments shall be credited to the fund.

88 5. The director of the department of revenue may authorize the state treasurer to make
89 refunds from the amounts in the trust fund and credited to any city for erroneous payments

90 and overpayments made, and may redeem dishonored checks and drafts deposited to the
91 credit of such cities. If any city abolishes the tax, the city shall notify the director of the
92 action at least ninety days before the effective date of the repeal, and the director may order
93 retention in the trust fund, for a period of one year, of two percent of the amount collected
94 after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem
95 dishonored checks and drafts deposited to the credit of such accounts. After one year has
96 elapsed after the effective date of abolition of the tax in such city, the director shall remit the
97 balance in the account to the city and close the account of that city. The director shall notify
98 each city of each instance of any amount refunded or any check redeemed from receipts due
99 the city.

100 6. The governing body of any city that has adopted the sales tax authorized in this
101 section may submit the question of repeal of the tax to the voters on any date available for
102 elections for the city. The ballot of submission shall be in substantially the following form:
103 Shall **the city of** _____ ~~[(insert the name of the city)]~~ repeal the sales tax imposed at
104 a rate of _____ ~~[(insert rate of percent)]~~ percent for the purpose of improving the
105 public safety of the city?

106 ☐ YES

☐ NO

107

108 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become
109 effective on December thirty-first of the calendar year in which such repeal was approved. If
110 a majority of the votes cast on the question by the qualified voters voting thereon are opposed
111 to the repeal, then the sales tax authorized in this section shall remain effective until the
112 question is resubmitted under this section to the qualified voters, and the repeal is approved
113 by a majority of the qualified voters voting on the question.

114 7. Whenever the governing body of any city that has adopted the sales tax authorized
115 in this section receives a petition, signed by ten percent of the registered voters of the city
116 voting in the last gubernatorial election, calling for an election to repeal the sales tax imposed
117 under this section, the governing body shall submit to the voters of the city a proposal to
118 repeal the tax. If a majority of the votes cast on the question by the qualified voters voting
119 thereon are in favor of the repeal, that repeal shall become effective on December thirty-first
120 of the calendar year in which such repeal was approved. If a majority of the votes cast on the
121 question by the qualified voters voting thereon are opposed to the repeal, then the tax shall
122 remain effective until the question is resubmitted under this section to the qualified voters and
123 the repeal is approved by a majority of the qualified voters voting on the question.

124 8. Any sales tax imposed under this section by a city described under subdivision (6)
125 of subsection 1 of this section that is in effect as of December 31, 2038, shall automatically
126 expire. No city described under subdivision (6) of subsection 1 of this section shall collect a

127 sales tax pursuant to this section on or after January 1, 2039. Subsection 7 of this section
128 shall not apply to a sales tax imposed under this section by a city described under subdivision
129 (6) of subsection 1 of this section.

130 9. Except as modified in this section, all provisions of sections 32.085 and 32.087
131 shall apply to the tax imposed under this section.

144.014. 1. Notwithstanding other provisions of law to the contrary, beginning
2 October 1, 1997, **and ending on December 31, 2023**, the tax levied and imposed under this
3 chapter on all retail sales of food shall be at the rate of one percent. The revenue derived from
4 the one percent rate pursuant to this section shall be deposited by the state treasurer in the
5 school district trust fund and shall be distributed as provided in section 144.701.

6 2. **Notwithstanding any provision of law to the contrary, beginning January 1,**
7 **2024, no state sales or use tax, local sales tax as defined under section 32.085, or local use**
8 **tax shall be levied or imposed on any retail sale of food in this state.**

9 3. For the purposes of this section, the term "food" shall include only those products
10 and types of food for which ~~[food stamps]~~ **benefits** may be redeemed pursuant to the
11 provisions of the ~~[Federal Food Stamp]~~ **Supplemental Nutrition Assistance** Program as
12 ~~[contained]~~ **described** in 7 U.S.C. Section 2012, as that section now reads or as it may be
13 amended hereafter, and shall include food dispensed by or through vending machines. For
14 the purpose of this section, except for vending machine sales, the term "food" shall not
15 include food or drink sold by any establishment where the gross receipts derived from the sale
16 of food prepared by such establishment for immediate consumption on or off the premises of
17 the establishment constitutes more than eighty percent of the total gross receipts of that
18 establishment, regardless of whether such prepared food is consumed on the premises of that
19 establishment, including, but not limited to, sales of food by any restaurant, fast food
20 restaurant, delicatessen, eating house, or café.

144.030. 1. There is hereby specifically exempted from the provisions of sections
2 144.010 to 144.525 and from the computation of the tax levied, assessed or payable pursuant
3 to sections 144.010 to 144.525 such retail sales as may be made in commerce between this
4 state and any other state of the United States, or between this state and any foreign country,
5 and any retail sale which the state of Missouri is prohibited from taxing pursuant to the
6 Constitution or laws of the United States of America, and such retail sales of tangible
7 personal property which the general assembly of the state of Missouri is prohibited from
8 taxing or further taxing by the constitution of this state.

9 2. There are also specifically exempted from the provisions of the local sales tax law
10 as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to
11 144.761 and from the computation of the tax levied, assessed or payable pursuant to the local

12 sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525
13 and 144.600 to 144.745:

14 (1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of
15 such excise tax is refunded pursuant to section 142.824; or upon the sale at retail of fuel to be
16 consumed in manufacturing or creating gas, power, steam, electrical current or in furnishing
17 water to be sold ultimately at retail; or feed for livestock or poultry; or grain to be converted
18 into foodstuffs which are to be sold ultimately in processed form at retail; or seed, limestone
19 or fertilizer which is to be used for seeding, liming or fertilizing crops which when harvested
20 will be sold at retail or will be fed to livestock or poultry to be sold ultimately in processed
21 form at retail; economic poisons registered pursuant to the provisions of the Missouri
22 pesticide registration law, sections 281.220 to 281.310, which are to be used in connection
23 with the growth or production of crops, fruit trees or orchards applied before, during, or after
24 planting, the crop of which when harvested will be sold at retail or will be converted into
25 foodstuffs which are to be sold ultimately in processed form at retail;

26 (2) Materials, manufactured goods, machinery and parts which when used in
27 manufacturing, processing, compounding, mining, producing or fabricating become a
28 component part or ingredient of the new personal property resulting from such
29 manufacturing, processing, compounding, mining, producing or fabricating and which new
30 personal property is intended to be sold ultimately for final use or consumption; and
31 materials, including without limitation, gases and manufactured goods, including without
32 limitation slagging materials and firebrick, which are ultimately consumed in the
33 manufacturing process by blending, reacting or interacting with or by becoming, in whole
34 or in part, component parts or ingredients of steel products intended to be sold ultimately for
35 final use or consumption;

36 (3) Materials, replacement parts and equipment purchased for use directly upon, and
37 for the repair and maintenance or manufacture of, motor vehicles, watercraft, railroad rolling
38 stock or aircraft engaged as common carriers of persons or property;

39 (4) Replacement machinery, equipment, and parts and the materials and supplies
40 solely required for the installation or construction of such replacement machinery, equipment,
41 and parts, used directly in manufacturing, mining, fabricating or producing a product which is
42 intended to be sold ultimately for final use or consumption; and machinery and equipment,
43 and the materials and supplies required solely for the operation, installation or construction of
44 such machinery and equipment, purchased and used to establish new, or to replace or expand
45 existing, material recovery processing plants in this state. For the purposes of this
46 subdivision, a "material recovery processing plant" means a facility that has as its primary
47 purpose the recovery of materials into a usable product or a different form which is used in
48 producing a new product and shall include a facility or equipment which are used exclusively

49 for the collection of recovered materials for delivery to a material recovery processing plant
50 but shall not include motor vehicles used on highways. For purposes of this section, the terms
51 motor vehicle and highway shall have the same meaning pursuant to section 301.010. For the
52 purposes of this subdivision, subdivision (5) of this subsection, and section 144.054, as well
53 as the definition in subdivision (9) of subsection 1 of section 144.010, the term "product"
54 includes telecommunications services and the term "manufacturing" shall include the
55 production, or production and transmission, of telecommunications services. The preceding
56 sentence does not make a substantive change in the law and is intended to clarify that the term
57 "manufacturing" has included and continues to include the production and transmission of
58 "telecommunications services", as enacted in this subdivision and subdivision (5) of this
59 subsection, as well as the definition in subdivision (9) of subsection 1 of section 144.010.
60 The preceding two sentences reaffirm legislative intent consistent with the interpretation of
61 this subdivision and subdivision (5) of this subsection in *Southwestern Bell Tel. Co. v.*
62 *Director of Revenue*, 78 S.W.3d 763 (Mo. banc 2002) and *Southwestern Bell Tel. Co. v.*
63 *Director of Revenue*, 182 S.W.3d 226 (Mo. banc 2005), and accordingly abrogates the
64 Missouri supreme court's interpretation of those exemptions in *IBM Corporation v. Director*
65 *of Revenue*, 491 S.W.3d 535 (Mo. banc 2016) to the extent inconsistent with this section and
66 *Southwestern Bell Tel. Co. v. Director of Revenue*, 78 S.W.3d 763 (Mo. banc 2002) and
67 *Southwestern Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d 226 (Mo. banc 2005). The
68 construction and application of this subdivision as expressed by the Missouri supreme court
69 in *DST Systems, Inc. v. Director of Revenue*, 43 S.W.3d 799 (Mo. banc 2001); *Southwestern*
70 *Bell Tel. Co. v. Director of Revenue*, 78 S.W.3d 763 (Mo. banc 2002); and *Southwestern Bell*
71 *Tel. Co. v. Director of Revenue*, 182 S.W.3d 226 (Mo. banc 2005), is hereby affirmed.
72 Material recovery is not the reuse of materials within a manufacturing process or the use of a
73 product previously recovered. The material recovery processing plant shall qualify under the
74 provisions of this section regardless of ownership of the material being recovered;

75 (5) Machinery and equipment, and parts and the materials and supplies solely
76 required for the installation or construction of such machinery and equipment, purchased and
77 used to establish new or to expand existing manufacturing, mining or fabricating plants in the
78 state if such machinery and equipment is used directly in manufacturing, mining or
79 fabricating a product which is intended to be sold ultimately for final use or consumption.
80 The construction and application of this subdivision as expressed by the Missouri supreme
81 court in *DST Systems, Inc. v. Director of Revenue*, 43 S.W.3d 799 (Mo. banc 2001);
82 *Southwestern Bell Tel. Co. v. Director of Revenue*, 78 S.W.3d 763 (Mo. banc 2002); and
83 *Southwestern Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d 226 (Mo. banc 2005), is
84 hereby affirmed;

85 (6) Tangible personal property which is used exclusively in the manufacturing,
86 processing, modification or assembling of products sold to the United States government or to
87 any agency of the United States government;

88 (7) Animals or poultry used for breeding or feeding purposes, or captive wildlife;

89 (8) Newsprint, ink, computers, photosensitive paper and film, toner, printing plates
90 and other machinery, equipment, replacement parts and supplies used in producing
91 newspapers published for dissemination of news to the general public;

92 (9) The rentals of films, records or any type of sound or picture transcriptions for
93 public commercial display;

94 (10) Pumping machinery and equipment used to propel products delivered by
95 pipelines engaged as common carriers;

96 (11) Railroad rolling stock for use in transporting persons or property in interstate
97 commerce and motor vehicles licensed for a gross weight of twenty-four thousand pounds or
98 more or trailers used by common carriers, as defined in section 390.020, in the transportation
99 of persons or property;

100 (12) Electrical energy used in the actual primary manufacture, processing,
101 compounding, mining or producing of a product, or electrical energy used in the actual
102 secondary processing or fabricating of the product, or a material recovery processing plant as
103 defined in subdivision (4) of this subsection, in facilities owned or leased by the taxpayer, if
104 the total cost of electrical energy so used exceeds ten percent of the total cost of production,
105 either primary or secondary, exclusive of the cost of electrical energy so used or if the raw
106 materials used in such processing contain at least twenty-five percent recovered materials as
107 defined in section 260.200. There shall be a rebuttable presumption that the raw materials
108 used in the primary manufacture of automobiles contain at least twenty-five percent
109 recovered materials. For purposes of this subdivision, "processing" means any mode of
110 treatment, act or series of acts performed upon materials to transform and reduce them to a
111 different state or thing, including treatment necessary to maintain or preserve such processing
112 by the producer at the production facility;

113 (13) Anodes which are used or consumed in manufacturing, processing,
114 compounding, mining, producing or fabricating and which have a useful life of less than
115 one year;

116 (14) Machinery, equipment, appliances and devices purchased or leased and used
117 solely for the purpose of preventing, abating or monitoring air pollution, and materials and
118 supplies solely required for the installation, construction or reconstruction of such machinery,
119 equipment, appliances and devices;

120 (15) Machinery, equipment, appliances and devices purchased or leased and used
121 solely for the purpose of preventing, abating or monitoring water pollution, and materials and

122 supplies solely required for the installation, construction or reconstruction of such machinery,
123 equipment, appliances and devices;

124 (16) Tangible personal property purchased by a rural water district;

125 (17) All amounts paid or charged for admission or participation or other fees paid by
126 or other charges to individuals in or for any place of amusement, entertainment or recreation,
127 games or athletic events, including museums, fairs, zoos and planetariums, owned or operated
128 by a municipality or other political subdivision where all the proceeds derived therefrom
129 benefit the municipality or other political subdivision and do not inure to any private person,
130 firm, or corporation, provided, however, that a municipality or other political subdivision may
131 enter into revenue-sharing agreements with private persons, firms, or corporations providing
132 goods or services, including management services, in or for the place of amusement,
133 entertainment or recreation, games or athletic events, and provided further that nothing in this
134 subdivision shall exempt from tax any amounts retained by any private person, firm, or
135 corporation under such revenue-sharing agreement;

136 (18) All sales of insulin, and all sales, rentals, repairs, and parts of durable medical
137 equipment, prosthetic devices, and orthopedic devices as defined on January 1, 1980, by the
138 federal Medicare program pursuant to Title XVIII of the Social Security Act of 1965,
139 including the items specified in Section 1862(a)(12) of that act, and also specifically
140 including hearing aids and hearing aid supplies and all sales of drugs which may be legally
141 dispensed by a licensed pharmacist only upon a lawful prescription of a practitioner licensed
142 to administer those items, including samples and materials used to manufacture samples
143 which may be dispensed by a practitioner authorized to dispense such samples and all sales or
144 rental of medical oxygen, home respiratory equipment and accessories including parts, and
145 hospital beds and accessories and ambulatory aids including parts, and all sales or rental of
146 manual and powered wheelchairs including parts, and stairway lifts, Braille writers, electronic
147 Braille equipment and, if purchased or rented by or on behalf of a person with one or more
148 physical or mental disabilities to enable them to function more independently, all sales or
149 rental of scooters including parts, and reading machines, electronic print enlargers and
150 magnifiers, electronic alternative and augmentative communication devices, and items used
151 solely to modify motor vehicles to permit the use of such motor vehicles by individuals with
152 disabilities or sales of over-the-counter or nonprescription drugs to individuals with
153 disabilities, and drugs required by the Food and Drug Administration to meet the over-the-
154 counter drug product labeling requirements in 21 CFR 201.66, or its successor, as prescribed
155 by a health care practitioner licensed to prescribe;

156 (19) All sales made by or to religious and charitable organizations and institutions in
157 their religious, charitable or educational functions and activities and all sales made by or to all

158 elementary and secondary schools operated at public expense in their educational functions
159 and activities;

160 (20) All sales of aircraft to common carriers for storage or for use in interstate
161 commerce and all sales made by or to not-for-profit civic, social, service or fraternal
162 organizations, including fraternal organizations which have been declared tax-exempt
163 organizations pursuant to Section 501(c)(8) or (10) of the 1986 Internal Revenue Code, as
164 amended, in their civic or charitable functions and activities and all sales made to
165 eleemosynary and penal institutions and industries of the state, and all sales made to any
166 private not-for-profit institution of higher education not otherwise excluded pursuant to
167 subdivision (19) of this subsection or any institution of higher education supported by public
168 funds, and all sales made to a state relief agency in the exercise of relief functions and
169 activities;

170 (21) All ticket sales made by benevolent, scientific and educational associations
171 which are formed to foster, encourage, and promote progress and improvement in the science
172 of agriculture and in the raising and breeding of animals, and by nonprofit summer theater
173 organizations if such organizations are exempt from federal tax pursuant to the provisions of
174 the Internal Revenue Code and all admission charges and entry fees to the Missouri state fair
175 or any fair conducted by a county agricultural and mechanical society organized and operated
176 pursuant to sections 262.290 to 262.530;

177 (22) All sales made to any private not-for-profit elementary or secondary school, all
178 sales of feed additives, medications or vaccines administered to livestock or poultry in the
179 production of food or fiber, all sales of pesticides used in the production of crops, livestock or
180 poultry for food or fiber, all sales of bedding used in the production of livestock or poultry for
181 food or fiber, all sales of propane or natural gas, electricity or diesel fuel used exclusively for
182 drying agricultural crops, natural gas used in the primary manufacture or processing of fuel
183 ethanol as defined in section 142.028, natural gas, propane, and electricity used by an eligible
184 new generation cooperative or an eligible new generation processing entity as defined in
185 section 348.432, and all sales of farm machinery and equipment, other than airplanes, motor
186 vehicles and trailers, and any freight charges on any exempt item. As used in this
187 subdivision, the term "feed additives" means tangible personal property which, when mixed
188 with feed for livestock or poultry, is to be used in the feeding of livestock or poultry. As used
189 in this subdivision, the term "pesticides" includes adjuvants such as crop oils, surfactants,
190 wetting agents and other assorted pesticide carriers used to improve or enhance the effect of a
191 pesticide and the foam used to mark the application of pesticides and herbicides for the
192 production of crops, livestock or poultry. As used in this subdivision, the term "farm
193 machinery and equipment" shall mean:

194 (a) New or used farm tractors and such other new or used farm machinery and
195 equipment, including utility vehicles used for any agricultural use, and repair or replacement
196 parts thereon and any accessories for and upgrades to such farm machinery and equipment
197 and rotary mowers used for any agricultural purposes. For the purposes of this subdivision,
198 "utility vehicle" shall mean any motorized vehicle manufactured and used exclusively for off-
199 highway use which is more than fifty inches but no more than eighty inches in width,
200 measured from outside of tire rim to outside of tire rim, with an unladen dry weight of three
201 thousand five hundred pounds or less, traveling on four or six wheels;

202 (b) Supplies and lubricants used exclusively, solely, and directly for producing crops,
203 raising and feeding livestock, fish, poultry, pheasants, chukar, quail, or for producing milk for
204 ultimate sale at retail, including field drain tile; and

205 (c) One-half of each purchaser's purchase of diesel fuel therefor which is:

206 a. Used exclusively for agricultural purposes;

207 b. Used on land owned or leased for the purpose of producing farm products; and

208 c. Used directly in producing farm products to be sold ultimately in processed form or
209 otherwise at retail or in producing farm products to be fed to livestock or poultry to be sold
210 ultimately in processed form at retail;

211 (23) Except as otherwise provided in section 144.032, all sales of metered water
212 service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home
213 heating oil for domestic use and in any city not within a county, all sales of metered or
214 unmetered water service for domestic use:

215 (a) "Domestic use" means that portion of metered water service, electricity, electrical
216 current, natural, artificial or propane gas, wood, coal or home heating oil, and in any city not
217 within a county, metered or unmetered water service, which an individual occupant of a
218 residential premises uses for nonbusiness, noncommercial or nonindustrial purposes. Utility
219 service through a single or master meter for residential apartments or condominiums,
220 including service for common areas and facilities and vacant units, shall be deemed to be for
221 domestic use. Each seller shall establish and maintain a system whereby individual purchases
222 are determined as exempt or nonexempt;

223 (b) Regulated utility sellers shall determine whether individual purchases are exempt
224 or nonexempt based upon the seller's utility service rate classifications as contained in tariffs
225 on file with and approved by the Missouri public service commission. Sales and purchases
226 made pursuant to the rate classification "residential" and sales to and purchases made by or on
227 behalf of the occupants of residential apartments or condominiums through a single or master
228 meter, including service for common areas and facilities and vacant units, shall be considered
229 as sales made for domestic use and such sales shall be exempt from sales tax. Sellers shall
230 charge sales tax upon the entire amount of purchases classified as nondomestic use. The

231 seller's utility service rate classification and the provision of service thereunder shall be
232 conclusive as to whether or not the utility must charge sales tax;

233 (c) Each person making domestic use purchases of services or property and who uses
234 any portion of the services or property so purchased for a nondomestic use shall, by the
235 fifteenth day of the fourth month following the year of purchase, and without assessment,
236 notice or demand, file a return and pay sales tax on that portion of nondomestic purchases.
237 Each person making nondomestic purchases of services or property and who uses any portion
238 of the services or property so purchased for domestic use, and each person making domestic
239 purchases on behalf of occupants of residential apartments or condominiums through a single
240 or master meter, including service for common areas and facilities and vacant units, under a
241 nonresidential utility service rate classification may, between the first day of the first month
242 and the fifteenth day of the fourth month following the year of purchase, apply for credit or
243 refund to the director of revenue and the director shall give credit or make refund for taxes
244 paid on the domestic use portion of the purchase. The person making such purchases on
245 behalf of occupants of residential apartments or condominiums shall have standing to apply to
246 the director of revenue for such credit or refund;

247 (24) All sales of handicraft items made by the seller or the seller's spouse if the seller
248 or the seller's spouse is at least sixty-five years of age, and if the total gross proceeds from
249 such sales do not constitute a majority of the annual gross income of the seller;

250 (25) Excise taxes, collected on sales at retail, imposed by Sections 4041, 4071, 4081,
251 ~~[4091,]~~ 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director of
252 revenue shall promulgate rules pursuant to chapter 536 to eliminate all state and local sales
253 taxes on such excise taxes;

254 (26) Sales of fuel consumed or used in the operation of ships, barges, or waterborne
255 vessels which are used primarily in or for the transportation of property or cargo, or the
256 conveyance of persons for hire, on navigable rivers bordering on or located in part in this
257 state, if such fuel is delivered by the seller to the purchaser's barge, ship, or waterborne vessel
258 while it is afloat upon such river;

259 (27) All sales made to an interstate compact agency created pursuant to sections
260 70.370 to 70.441 or sections 238.010 to 238.100 in the exercise of the functions and activities
261 of such agency as provided pursuant to the compact;

262 (28) Computers, computer software and computer security systems purchased for use
263 by architectural or engineering firms headquartered in this state. For the purposes of this
264 subdivision, "headquartered in this state" means the office for the administrative management
265 of at least four integrated facilities operated by the taxpayer is located in the state of Missouri;

266 (29) All livestock sales when either the seller is engaged in the growing, producing or
267 feeding of such livestock, or the seller is engaged in the business of buying and selling,
268 bartering or leasing of such livestock;

269 (30) All sales of barges which are to be used primarily in the transportation of
270 property or cargo on interstate waterways;

271 (31) Electrical energy or gas, whether natural, artificial or propane, water, or other
272 utilities which are ultimately consumed in connection with the manufacturing of cellular glass
273 products or in any material recovery processing plant as defined in subdivision (4) of this
274 subsection;

275 (32) Notwithstanding other provisions of law to the contrary, all sales of pesticides or
276 herbicides used in the production of crops, aquaculture, livestock or poultry;

277 (33) Tangible personal property and utilities purchased for use or consumption
278 directly or exclusively in the research and development of agricultural/biotechnology and
279 plant genomics products and prescription pharmaceuticals consumed by humans or animals;

280 (34) All sales of grain bins for storage of grain for resale;

281 (35) All sales of feed which are developed for and used in the feeding of pets owned
282 by a commercial breeder when such sales are made to a commercial breeder, as defined in
283 section 273.325, and licensed pursuant to sections 273.325 to 273.357;

284 (36) All purchases by a contractor on behalf of an entity located in another state,
285 provided that the entity is authorized to issue a certificate of exemption for purchases to a
286 contractor under the provisions of that state's laws. For purposes of this subdivision, the term
287 "certificate of exemption" shall mean any document evidencing that the entity is exempt from
288 sales and use taxes on purchases pursuant to the laws of the state in which the entity is
289 located. Any contractor making purchases on behalf of such entity shall maintain a copy of
290 the entity's exemption certificate as evidence of the exemption. If the exemption certificate
291 issued by the exempt entity to the contractor is later determined by the director of revenue to
292 be invalid for any reason and the contractor has accepted the certificate in good faith, neither
293 the contractor or the exempt entity shall be liable for the payment of any taxes, interest and
294 penalty due as the result of use of the invalid exemption certificate. Materials shall be exempt
295 from all state and local sales and use taxes when purchased by a contractor for the purpose of
296 fabricating tangible personal property which is used in fulfilling a contract for the purpose of
297 constructing, repairing or remodeling facilities for the following:

298 (a) An exempt entity located in this state, if the entity is one of those entities able to
299 issue project exemption certificates in accordance with the provisions of section 144.062; or

300 (b) An exempt entity located outside the state if the exempt entity is authorized to
301 issue an exemption certificate to contractors in accordance with the provisions of that state's
302 law and the applicable provisions of this section;

303 (37) All sales or other transfers of tangible personal property to a lessor who leases
304 the property under a lease of one year or longer executed or in effect at the time of the sale or
305 other transfer to an interstate compact agency created pursuant to sections 70.370 to 70.441 or
306 sections 238.010 to 238.100;

307 (38) Sales of tickets to any collegiate athletic championship event that is held in a
308 facility owned or operated by a governmental authority or commission, a quasi-governmental
309 agency, a state university or college or by the state or any political subdivision thereof,
310 including a municipality, and that is played on a neutral site and may reasonably be played at
311 a site located outside the state of Missouri. For purposes of this subdivision, "neutral site"
312 means any site that is not located on the campus of a conference member institution
313 participating in the event;

314 (39) All purchases by a sports complex authority created under section 64.920, and all
315 sales of utilities by such authority at the authority's cost that are consumed in connection with
316 the operation of a sports complex leased to a professional sports team;

317 (40) All materials, replacement parts, and equipment purchased for use directly upon,
318 and for the modification, replacement, repair, and maintenance of aircraft, aircraft power
319 plants, and aircraft accessories;

320 (41) Sales of sporting clays, wobble, skeet, and trap targets to any shooting range or
321 similar places of business for use in the normal course of business and money received by a
322 shooting range or similar places of business from patrons and held by a shooting range or
323 similar place of business for redistribution to patrons at the conclusion of a shooting event;

324 (42) All sales of motor fuel, as defined in section 142.800, used in any watercraft, as
325 defined in section 306.010;

326 (43) Any new or used aircraft sold or delivered in this state to a person who is not a
327 resident of this state or a corporation that is not incorporated in this state, and such aircraft is
328 not to be based in this state and shall not remain in this state more than ten business days
329 subsequent to the last to occur of:

330 (a) The transfer of title to the aircraft to a person who is not a resident of this state or a
331 corporation that is not incorporated in this state; or

332 (b) The date of the return to service of the aircraft in accordance with 14 CFR 91.407
333 for any maintenance, preventive maintenance, rebuilding, alterations, repairs, or installations
334 that are completed contemporaneously with the transfer of title to the aircraft to a person who
335 is not a resident of this state or a corporation that is not incorporated in this state;

336 (44) Motor vehicles registered in excess of fifty-four thousand pounds, and the
337 trailers pulled by such motor vehicles, that are actually used in the normal course of business
338 to haul property on the public highways of the state, and that are capable of hauling loads
339 commensurate with the motor vehicle's registered weight; and the materials, replacement

340 parts, and equipment purchased for use directly upon, and for the repair and maintenance or
341 manufacture of such vehicles. For purposes of this subdivision, "motor vehicle" and "public
342 highway" shall have the meaning as ascribed in section 390.020;

343 (45) All internet access or the use of internet access regardless of whether the tax is
344 imposed on a provider of internet access or a buyer of internet access. For purposes of this
345 subdivision, the following terms shall mean:

346 (a) "Direct costs", costs incurred by a governmental authority solely because of an
347 internet service provider's use of the public right-of-way. The term shall not include costs that
348 the governmental authority would have incurred if the internet service provider did not make
349 such use of the public right-of-way. Direct costs shall be determined in a manner consistent
350 with generally accepted accounting principles;

351 (b) "Internet", computer and telecommunications facilities, including equipment and
352 operating software, that comprises the interconnected worldwide network that employ the
353 transmission control protocol or internet protocol, or any predecessor or successor protocols
354 to that protocol, to communicate information of all kinds by wire or radio;

355 (c) "Internet access", a service that enables users to connect to the internet to access
356 content, information, or other services without regard to whether the service is referred to as
357 telecommunications, communications, transmission, or similar services, and without regard to
358 whether a provider of the service is subject to regulation by the Federal Communications
359 Commission as a common carrier under 47 U.S.C. Section 201, et seq. For purposes of this
360 subdivision, internet access also includes: the purchase, use, or sale of communications
361 services, including telecommunications services as defined in section 144.010, to the extent
362 the communications services are purchased, used, or sold to provide the service described in
363 this subdivision or to otherwise enable users to access content, information, or other services
364 offered over the internet; services that are incidental to the provision of a service described in
365 this subdivision, when furnished to users as part of such service, including a home page,
366 electronic mail, and instant messaging, including voice-capable and video-capable electronic
367 mail and instant messaging, video clips, and personal electronic storage capacity; a home
368 page electronic mail and instant messaging, including voice-capable and video-capable
369 electronic mail and instant messaging, video clips, and personal electronic storage capacity
370 that are provided independently or that are not packed with internet access. As used in this
371 subdivision, internet access does not include voice, audio, and video programming or other
372 products and services, except services described in this paragraph or this subdivision, that use
373 internet protocol or any successor protocol and for which there is a charge, regardless of
374 whether the charge is separately stated or aggregated with the charge for services described in
375 this paragraph or this subdivision;

376 (d) "Tax", any charge imposed by the state or a political subdivision of the state for
377 the purpose of generating revenues for governmental purposes and that is not a fee imposed
378 for a specific privilege, service, or benefit conferred, except as described as otherwise under
379 this subdivision, or any obligation imposed on a seller to collect and to remit to the state or a
380 political subdivision of the state any gross retail tax, sales tax, or use tax imposed on a buyer
381 by such a governmental entity. The term tax shall not include any franchise fee or similar fee
382 imposed or authorized under sections 67.1830 to 67.1846 or section 67.2689; Section 622 or
383 653 of the Communications Act of 1934, 47 U.S.C. Section 542 and 47 U.S.C. Section 573;
384 or any other fee related to obligations of telecommunications carriers under the
385 Communications Act of 1934, 47 U.S.C. Section 151, et seq., except to the extent that:

386 a. The fee is not imposed for the purpose of recovering direct costs incurred by the
387 franchising or other governmental authority from providing the specific privilege, service, or
388 benefit conferred to the payer of the fee; or

389 b. The fee is imposed for the use of a public right-of-way based on a percentage of the
390 service revenue, and the fee exceeds the incremental direct costs incurred by the
391 governmental authority associated with the provision of that right-of-way to the provider
392 of internet access service.

393

394 Nothing in this subdivision shall be interpreted as an exemption from taxes due on goods or
395 services that were subject to tax on January 1, 2016;

396 (46) All purchases by a company of solar photovoltaic energy systems, components
397 used to construct a solar photovoltaic energy system, and all purchases of materials and
398 supplies used directly to construct or make improvements to such systems, provided that such
399 systems:

400 (a) Are sold or leased to an end user; or

401 (b) Are used to produce, collect and transmit electricity for resale or retail;

402 **(47) All sales of used tangible personal property purchased by a consumer for**
403 **use or consumption, and not for resale, for valuable consideration directly from a seller**
404 **at an auction of used tangible property. The term "used tangible personal property"**
405 **shall not include motor vehicles, trailers, boats, or outboard motors purchased or**
406 **acquired for use on the highways or waters of this state which are required to be titled**
407 **under the laws of the state of Missouri;**

408 **(48) All sales of necessary personal hygiene products and toiletries. For the**
409 **purposes of this subdivision, "necessary personal hygiene products and toiletries" shall**
410 **mean goods, merchandise, or products necessary for personal hygiene, health, safety, or**
411 **cleanliness of an individual including, but not limited to, feminine hygiene products,**
412 **diapers, incontinence products, toilet paper, toothbrushes, toothpaste, soap, shampoo,**

413 **deodorant, antiperspirant, and other similar products necessary for reasonable hygiene;**
414 **but such term shall not include luxury or cosmetic personal care items.**

415 3. Any ruling, agreement, or contract, whether written or oral, express or implied,
416 between a person and this state's executive branch, or any other state agency or department,
417 stating, agreeing, or ruling that such person is not required to collect sales and use tax in this
418 state despite the presence of a warehouse, distribution center, or fulfillment center in this state
419 that is owned or operated by the person or an affiliated person shall be null and void unless it
420 is specifically approved by a majority vote of each of the houses of the general assembly. For
421 purposes of this subsection, an "affiliated person" means any person that is a member of the
422 same controlled group of corporations as defined in Section 1563(a) of the Internal Revenue
423 Code of 1986, as amended, as the vendor or any other entity that, notwithstanding its form of
424 organization, bears the same ownership relationship to the vendor as a corporation that is a
425 member of the same controlled group of corporations as defined in Section 1563(a) of the
426 Internal Revenue Code, as amended.

144.615. There are specifically exempted from the taxes levied in sections 144.600 to
2 144.745:

3 (1) Property, the storage, use or consumption of which this state is prohibited from
4 taxing pursuant to the constitution or laws of the United States or of this state;

5 (2) Property, the gross receipts from the sale of which are required to be included in
6 the measure of the tax imposed pursuant to the Missouri sales tax law;

7 (3) Tangible personal property, the sale or other transfer of which, if made in this
8 state, would be exempt from or not subject to the Missouri sales tax pursuant to the provisions
9 of subsection 2 of section 144.030;

10 (4) Motor vehicles, trailers, boats, and outboard motors subject to the tax imposed by
11 section 144.020;

12 (5) Tangible personal property which has been subjected to a tax by any other state in
13 this respect to its sales or use; provided, if such tax is less than the tax imposed by sections
14 144.600 to 144.745, such property, if otherwise taxable, shall be subject to a tax equal to the
15 difference between such tax and the tax imposed by sections 144.600 to 144.745;

16 (6) Tangible personal property held by processors, retailers, importers, manufacturers,
17 wholesalers, or jobbers solely for resale in the regular course of business;

18 (7) Personal and household effects and farm machinery used while an individual was
19 a bona fide resident of another state and who thereafter became a resident of this state, or
20 tangible personal property brought into the state by a nonresident for his own storage, use or
21 consumption while temporarily within the state;

22 **(8) Tangible personal property purchased by a consumer for use or**
23 **consumption, and not for resale, for valuable consideration directly from a seller at**

24 **an auction of used tangible property. The term "used tangible personal property" shall**
25 **not include motor vehicles, trailers, boats, or outboard motors purchased or acquired**
26 **for use on the highways or waters of this state which are required to be titled under the**
27 **laws of the state of Missouri.**

190.327. 1. Immediately upon the decision by the commission to utilize a portion of
2 the emergency telephone tax for central dispatching and an affirmative vote of the telephone
3 tax, the commission shall appoint the initial members of a board which shall administer the
4 funds and oversee the provision of central dispatching for emergency services in the county
5 and in municipalities and other political subdivisions which have contracted for such service.
6 Beginning with the general election in 1992, all board members shall be elected according to
7 this section and other applicable laws of this state. At the time of the appointment of the
8 initial members of the board, the commission shall relinquish to the board and no longer
9 exercise the duties prescribed in this chapter with regard to the provision of emergency
10 telephone service and in chapter 321, with regard to the provision of central dispatching
11 service, and such duties shall be exercised by the board.

12 2. Elections for board members may be held on general municipal election day, as
13 defined in subsection 3 of section 115.121, after approval by a simple majority of the county
14 commission.

15 3. For the purpose of providing the services described in this section, the board shall
16 have the following powers, authority and privileges:

17 (1) To have and use a corporate seal;

18 (2) To sue and be sued, and be a party to suits, actions and proceedings;

19 (3) To enter into contracts, franchises and agreements with any person, partnership,
20 association or corporation, public or private, affecting the affairs of the board;

21 (4) To acquire, construct, purchase, maintain, dispose of and encumber real and
22 personal property, including leases and easements;

23 (5) To have the management, control and supervision of all the business affairs of the
24 board and the construction, installation, operation and maintenance of any improvements;

25 (6) To hire and retain agents and employees and to provide for their compensation
26 including health and pension benefits;

27 (7) To adopt and amend bylaws and any other rules and regulations;

28 (8) To fix, charge and collect the taxes and fees authorized by law for the purpose of
29 implementing and operating the services described in this section;

30 (9) To pay all expenses connected with the first election and all subsequent elections;
31 and

32 (10) To have and exercise all rights and powers necessary or incidental to or implied
33 from the specific powers granted in this subsection. Such specific powers shall not be

34 considered as a limitation upon any power necessary or appropriate to carry out the purposes
35 and intent of sections 190.300 to 190.329.

36 4. (1) Notwithstanding the provisions of subsections 1 and 2 of this section to the
37 contrary, the county commission may elect to appoint the members of the board to administer
38 the funds and oversee the provision of central dispatching for emergency services in the
39 counties, municipalities, and other political subdivisions which have contracted for such
40 service upon the request of the municipalities and other political subdivisions. Upon
41 appointment of the initial members of the board, the commission shall relinquish all powers
42 and duties to the board and no longer exercise the duties prescribed in this chapter with regard
43 to the provision of central dispatching service and such duties shall be exercised by the board.

44 (2) The board shall consist of seven members appointed without regard to political
45 affiliation. The members shall include:

46 (a) Five members who shall serve for so long as they remain in their respective
47 county or municipal positions as follows:

48 a. The county sheriff, or his or her designee;

49 b. The heads of the municipal police department who have contracted for central
50 dispatching service in the two largest municipalities wholly contained within the county, or
51 their designees; or

52 c. The heads of the municipal fire departments or fire divisions who have contracted
53 for central dispatching service in the two largest municipalities wholly contained within the
54 county, or their designees;

55 (b) Two members who shall serve two-year terms appointed from among the
56 following:

57 a. The head of any of the county's fire protection districts who have contracted for
58 central dispatching service, or his or her designee;

59 b. The head of any of the county's ambulance districts who have contracted for central
60 dispatching service, or his or her designee;

61 c. The head of any of the municipal police departments located in the county who
62 have contracted for central dispatching service, or his or her designee, excluding those
63 mentioned in subparagraph b. of paragraph (a) of this subdivision; and

64 d. The head of any of the municipal fire departments in the county who have
65 contracted for central dispatching service, or his or her designee, excluding those mentioned
66 in subparagraph c. of paragraph (a) of this subdivision.

67 (3) Upon the appointment of the board under this subsection, the board shall have the
68 powers provided in subsection 3 of this section and the commission shall relinquish all
69 powers and duties relating to the provision of central dispatching service under this chapter to
70 the board.

71 ~~[5.—An emergency services board originally organized under section 190.325~~
72 ~~operating within a county with a charter form of government and with more than two hundred~~
73 ~~thousand but fewer than three hundred fifty thousand inhabitants shall not have a sales tax~~
74 ~~for emergency services or for providing central dispatching for emergency services greater~~
75 ~~than one-quarter of one percent. If on July 9, 2019, such tax is greater than one-quarter of one~~
76 ~~percent, the board shall lower the tax rate.—]~~

321.246. 1. The governing body of any fire protection district which operates within
2 both a county ~~[of the first classification]~~ with a charter form of government and with a
3 population greater than six hundred thousand but less than nine hundred thousand and a
4 county of the fourth classification with a population greater than thirty thousand but less than
5 thirty-five thousand and that adjoins a county ~~[of the first classification]~~ with a charter form
6 of government, the governing body of any fire protection district which contains a city of the
7 fourth classification having a population greater than two thousand four hundred when the
8 city is located in a county ~~[of the first classification without]~~ **with** a charter form of
9 government having a population greater than one hundred fifty thousand and the county
10 contains a portion of a city with a population greater than three hundred fifty thousand, or the
11 governing body of any fire protection district that operates in a county of the third
12 classification with a population greater than fourteen thousand but less than fifteen thousand
13 may impose a sales tax in an amount of up to one-half of one percent on all retail sales made
14 in such fire protection district which are subject to taxation pursuant to the provisions of
15 sections 144.010 to 144.525. The tax authorized by this section shall be in addition to any
16 and all other sales taxes allowed by law, except that no sales tax imposed pursuant to the
17 provisions of this section shall be effective unless the governing body of the fire protection
18 district submits to the voters of the fire protection district, at a county or state general, primary
19 or special election, a proposal to authorize the governing body of the fire protection district to
20 impose a tax.

21 2. The ballot of submission shall contain, but need not be limited to, the following
22 language:

23 Shall the fire protection district of _____ (district's name)
24 impose a district-wide sales tax of _____ for the purpose of
25 providing revenues for the operation of the fire protection
26 district?

27 ☐ YES

☐ NO

28

29 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in
30 favor of the proposal, then the sales tax authorized in this section shall be in effect. If a
31 majority of the votes cast by the qualified voters voting are opposed to the proposal, then the

32 governing body of the fire protection district shall not impose the sales tax authorized in this
33 section unless and until the governing body of the fire protection district resubmits a proposal
34 to authorize the governing body of the fire protection district to impose the sales tax
35 authorized by this section and such proposal is approved by a majority of the qualified voters
36 voting thereon.

37 3. All revenue received by a fire protection district from the tax authorized pursuant
38 to the provisions of this section shall be deposited in a special trust fund and shall be used
39 solely for the operation of the fire protection district.

40 4. All sales taxes collected by the director of revenue pursuant to this section on
41 behalf of any fire protection district, less one percent for cost of collection which shall be
42 deposited in the state's general revenue fund after payment of premiums for surety bonds as
43 provided in section 32.087, shall be deposited in the fire protection ~~[district]~~ sales tax trust
44 fund established pursuant to section 321.242. The moneys in the fire protection ~~[district]~~
45 sales tax trust fund shall not be deemed to be state funds and shall not be commingled with
46 any funds of the state. The director of revenue shall keep accurate records of the amount of
47 money in the trust and which was collected in each fire protection district imposing a sales tax
48 pursuant to this section, and the records shall be open to the inspection of officers of the fire
49 protection district and the public. Not later than the tenth day of each month, the director of
50 revenue shall distribute all moneys deposited in the trust fund during the preceding month to
51 the fire protection district which levied the tax. Such funds shall be deposited with the
52 treasurer of each such fire protection district, and all expenditures of funds arising from the
53 fire protection ~~[district]~~ sales tax trust fund shall be for the operation of the fire protection
54 district and for no other purpose.

55 5. The director of revenue may make refunds from the amounts in the trust fund and
56 credited to any fire protection district for erroneous payments and overpayments made and
57 may redeem dishonored checks and drafts deposited to the credit of such fire protection
58 districts. If any fire protection district abolishes the tax, the fire protection district shall notify
59 the director of revenue of the action at least ninety days prior to the effective date of the
60 repeal and the director of revenue may order retention in the trust fund, for a period of one
61 year, of two percent of the amount collected after receipt of such notice to cover possible
62 refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to
63 the credit of such accounts. After one year has elapsed after the effective date of abolition of
64 the tax in such fire protection district, the director of revenue shall remit the balance in the
65 account to the fire protection district and close the account of that fire protection district. The
66 director of revenue shall notify each fire protection district of each instance of any amount
67 refunded or any check redeemed from receipts due the fire protection district. In the event a
68 tax within a fire protection district is approved under this section, and such fire protection

69 district is dissolved, the tax shall lapse on the date that the fire protection district is dissolved
70 and the proceeds from the last collection of such tax shall be distributed to the governing
71 bodies of the counties formerly containing the fire protection district and the proceeds of the
72 tax shall be used for fire protection services within such counties.

73 6. Except as modified in this section, all provisions of sections 32.085 and 32.087
74 shall apply to the tax imposed pursuant to this section.

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