

FIRST REGULAR SESSION

HOUSE BILL NO. 470

96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES FUNDERBURK (Sponsor), NANCE, LONG, WIELAND, PARKINSON, BAHR, SCHOELLER, JONES (89), SMITH (150), GOSEN, CIERPIOT, SOLON, TILLEY, SCHAD, WRIGHT, WETER, POLLOCK, KEENEY, DENISON, SHUMAKE, COX, NOLTE, FRANZ, WELLS, BARNES, KELLY (24), MCGHEE, CURTMAN, FLANIGAN, ALLEN, DUGGER, LAIR, KLIPPENSTEIN, HOSKINS, ENTLICHER, BURLISON, ZERR, ELLINGER, GRISAMORE, BLACK, FRANKLIN, BROWN (50), BERRY, CURLS, PIERSON, SCHARNHORST, CAUTHORN, LOEHNER, NASHEED, THOMSON, FITZWATER, QUINN, FALLERT, MOLENDORP, McDONALD, TALBOY, CASEY, FRAKER, PHILLIPS, FUHR, SATER, BRANDOM, LARGENT, PACE AND WALTON GRAY (Co-sponsors).

0869L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 143.183, RSMo, and to enact in lieu thereof one new section relating to the nonresident entertainers tax.

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

Section A. Section 143.183, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 143.183, to read as follows:

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

(1) "Nonresident entertainer", a person residing or registered as a corporation outside this state who, for compensation, performs any vocal, instrumental, musical, comedy, dramatic, dance or other performance in this state before a live audience and any other person traveling with and performing services on behalf of a nonresident entertainer, including a nonresident entertainer who is paid compensation for providing entertainment as an independent contractor, a partnership that is paid compensation for entertainment provided by nonresident entertainers, a corporation that is paid compensation for entertainment provided by nonresident entertainers, or any other entity that is paid compensation for entertainment provided by nonresident entertainers;

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.

11 (2) "Nonresident member of a professional athletic team", a professional athletic team
12 member who resides outside this state, including any active player, any player on the disabled
13 list if such player is in uniform on the day of the game at the site of the game, and any other
14 person traveling with and performing services on behalf of a professional athletic team;

15 (3) "Personal service income" includes exhibition and regular season salaries and wages,
16 guaranteed payments, strike benefits, deferred payments, severance pay, bonuses, and any other
17 type of compensation paid to the nonresident entertainer or nonresident member of a professional
18 athletic team, but does not include prizes, bonuses or incentive money received from competition
19 in a livestock, equine or rodeo performance, exhibition or show;

20 (4) "Professional athletic team" includes, but is not limited to, any professional baseball,
21 basketball, football, soccer and hockey team.

22 2. Any person, venue, or entity who pays compensation to a nonresident entertainer shall
23 deduct and withhold from such compensation as a prepayment of tax an amount equal to two
24 percent of the total compensation if the amount of compensation is in excess of three hundred
25 dollars paid to the nonresident entertainer. **For purposes of this section, the term "person,
26 venue, or entity who pays compensation" shall not be construed to include any person,
27 venue, or entity that is exempt from taxation under 26 U.S.C. Section 501(c)(3) and that
28 pays an amount to the nonresident entertainer for the entertainer's appearance but
29 receives no benefit from the entertainer's appearance other than the entertainer's
30 performance.**

31 3. Any person, venue, or entity required to deduct and withhold tax pursuant to
32 subsection 2 of this section shall, for each calendar quarter, on or before the last day of the month
33 following the close of such calendar quarter, remit the taxes withheld in such form or return as
34 prescribed by the director of revenue and pay over to the director of revenue or to a depository
35 designated by the director of revenue the taxes so required to be deducted and withheld.

36 4. Any person, venue, or entity subject to this section shall be considered an employer
37 for purposes of section 143.191, and shall be subject to all penalties, interest, and additions to
38 tax provided in this chapter for failure to comply with this section.

39 5. Notwithstanding other provisions of this chapter to the contrary, the commissioner of
40 administration, for all taxable years beginning on or after January 1, 1999, but none after
41 December 31, 2015, shall annually estimate the amount of state income tax revenues collected
42 pursuant to this chapter which are received from nonresident members of professional athletic
43 teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal year for
44 a period of sixteen years, sixty percent of the annual estimate of taxes generated from the
45 nonresident entertainer and professional athletic team income tax shall be allocated annually to
46 the Missouri arts council trust fund, and shall be transferred from the general revenue fund to the

47 Missouri arts council trust fund established in section 185.100 and any amount transferred shall
48 be in addition to such agency's budget base for each fiscal year. The director shall by rule
49 establish the method of determining the portion of personal service income of such persons that
50 is allocable to Missouri.

51 6. Notwithstanding the provisions of sections 186.050 to 186.067 to the contrary, the
52 commissioner of administration, for all taxable years beginning on or after January 1, 1999, but
53 for none after December 31, 2015, shall estimate annually the amount of state income tax
54 revenues collected pursuant to this chapter which are received from nonresident members of
55 professional athletic teams and nonresident entertainers. For fiscal year 2000, and for each
56 subsequent fiscal year for a period of sixteen years, ten percent of the annual estimate of taxes
57 generated from the nonresident entertainer and professional athletic team income tax shall be
58 allocated annually to the Missouri humanities council trust fund, and shall be transferred from
59 the general revenue fund to the Missouri humanities council trust fund established in section
60 186.055 and any amount transferred shall be in addition to such agency's budget base for each
61 fiscal year.

62 7. Notwithstanding other provisions of section 182.812 to the contrary, the commissioner
63 of administration, for all taxable years beginning on or after January 1, 1999, but for none after
64 December 31, 2015, shall estimate annually the amount of state income tax revenues collected
65 pursuant to this chapter which are received from nonresident members of professional athletic
66 teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal year for
67 a period of sixteen years, ten percent of the annual estimate of taxes generated from the
68 nonresident entertainer and professional athletic team income tax shall be allocated annually to
69 the Missouri state library networking fund, and shall be transferred from the general revenue
70 fund to the secretary of state for distribution to public libraries for acquisition of library materials
71 as established in section 182.812 and any amount transferred shall be in addition to such agency's
72 budget base for each fiscal year.

73 8. Notwithstanding other provisions of section 185.200 to the contrary, the commissioner
74 of administration, for all taxable years beginning on or after January 1, 1999, but for none after
75 December 31, 2015, shall estimate annually the amount of state income tax revenues collected
76 pursuant to this chapter which are received from nonresident members of professional athletic
77 teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal year for
78 a period of sixteen years, ten percent of the annual estimate of taxes generated from the
79 nonresident entertainer and professional athletic team income tax shall be allocated annually to
80 the Missouri public television broadcasting corporation special fund, and shall be transferred
81 from the general revenue fund to the Missouri public television broadcasting corporation special
82 fund, and any amount transferred shall be in addition to such agency's budget base for each fiscal

83 year; provided, however, that twenty-five percent of such allocation shall be used for grants to
84 public radio stations which were qualified by the corporation for public broadcasting as of
85 November 1, 1996. Such grants shall be distributed to each of such public radio stations in this
86 state after receipt of the station's certification of operating and programming expenses for the
87 prior fiscal year. Certification shall consist of the most recent fiscal year financial statement
88 submitted by a station to the corporation for public broadcasting. The grants shall be divided
89 into two categories, an annual basic service grant and an operating grant. The basic service grant
90 shall be equal to thirty-five percent of the total amount and shall be divided equally among the
91 public radio stations receiving grants. The remaining amount shall be distributed as an operating
92 grant to the stations on the basis of the proportion that the total operating expenses of the
93 individual station in the prior fiscal year bears to the aggregate total of operating expenses for
94 the same fiscal year for all Missouri public radio stations which are receiving grants.

95 9. Notwithstanding other provisions of section 253.402 to the contrary, the commissioner
96 of administration, for all taxable years beginning on or after January 1, 1999, but for none after
97 December 31, 2015, shall estimate annually the amount of state income tax revenues collected
98 pursuant to this chapter which are received from nonresident members of professional athletic
99 teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal year for
100 a period of sixteen years, ten percent of the annual estimate of taxes generated from the
101 nonresident entertainer and professional athletic team income tax shall be allocated annually to
102 the Missouri department of natural resources Missouri historic preservation revolving fund, and
103 shall be transferred from the general revenue fund to the Missouri department of natural
104 resources Missouri historic preservation revolving fund established in section 253.402 and any
105 amount transferred shall be in addition to such agency's budget base for each fiscal year. As
106 authorized pursuant to subsection 2 of section 30.953, it is the intention and desire of the general
107 assembly that the state treasurer convey, to the Missouri investment trust on January 1, 1999, up
108 to one hundred percent of the balances of the Missouri arts council trust fund established
109 pursuant to section 185.100 and the Missouri humanities council trust fund established pursuant
110 to section 186.055. The funds shall be reconveyed to the state treasurer by the investment trust
111 as follows: the Missouri arts council trust fund, no earlier than January 2, 2009; and the
112 Missouri humanities council trust fund, no earlier than January 2, 2009.