

FIRST REGULAR SESSION

# HOUSE BILL NO. 867

99TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE JUSTUS.

0858H.011

D. ADAM CRUMBLISS, Chief Clerk

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## AN ACT

To amend chapter 94, RSMo, by adding thereto one new section relating to sales taxes dedicated to public safety.

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

Section A. Chapter 94, RSMo, is amended by adding thereto one new section, to be known as section 94.903, to read as follows:

**94.903. 1. The governing body of any city of the fourth classification with more than ten thousand but fewer than eleven thousand four hundred inhabitants and located in more than one county may impose, by order or ordinance, a sales tax on all retail sales made in the city that are subject to taxation under chapter 144. The tax authorized under this section may be imposed in an amount of up to one-half of one percent and shall be imposed solely for the purpose of improving the public safety for such city including, but not limited to, expenditures on equipment, city public safety employee salaries and benefits, and facilities for police, fire, and emergency medical providers. The tax authorized under this section shall be in addition to all other sales taxes imposed by law and shall be stated separately from all other charges and taxes. The order or ordinance imposing a sales tax under this section shall not become effective unless the governing body of the city submits to the voters residing within the city, at a county or state general, primary, or special election, a proposal to authorize the governing body of the city to impose a tax under this section.**

**2. The ballot language for the tax authorized under this section shall be in substantially the following form:**

17

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.

18 **Shall the city of ..... (insert name of city) impose a citywide sales tax at a rate of .....**  
 19 **(insert rate) percent for the purpose of improving the public safety of the city?**

20

21  **YES**                       **NO**

22

23 **If a majority of the votes cast on the proposal by the qualified voters voting thereon are in**  
 24 **favor of the proposal, then the ordinance or order and any amendments to the order or**  
 25 **ordinance shall become effective on the first day of the second calendar quarter after the**  
 26 **director of revenue receives notice of the adoption of the sales tax. If a majority of the**  
 27 **votes cast on the proposal by the qualified voters voting thereon are opposed to the**  
 28 **proposal, then the tax shall not become effective unless the proposal is resubmitted under**  
 29 **this section to the qualified voters and such proposal is approved by a majority of the**  
 30 **qualified voters voting on the proposal. However, in no event shall a proposal under this**  
 31 **section be resubmitted to the voters sooner than twelve months from the date of the first**  
 32 **proposal under this section. If the resubmitted proposal receives less than the required**  
 33 **majority, then the governing body of the city shall have no power to impose the sales tax**  
 34 **herein authorized and the authorization is repealed.**

35         **3. Any sales tax imposed under this section shall be administered, collected,**  
 36 **enforced, and operated as required under section 32.087. All sales taxes collected by the**  
 37 **director of revenue under this section on behalf of any city, less one percent for cost of**  
 38 **collection, which shall be deposited in the state's general revenue fund after payment of**  
 39 **premiums for surety bonds, as provided in section 32.087, shall be deposited in a special**  
 40 **trust fund, which is hereby created in the state treasury, to be known as the "City Public**  
 41 **Safety Sales Tax Trust Fund". The moneys in the trust fund shall not be deemed to be**  
 42 **state funds and shall not be commingled with any funds of the state. The provisions of**  
 43 **section 33.080 to the contrary notwithstanding, moneys in this fund shall not be transferred**  
 44 **and placed to the credit of the general revenue fund. The director shall keep accurate**  
 45 **records of the amount of moneys in the trust fund and the amount that was collected in**  
 46 **each city imposing a sales tax under this section, and the records shall be open to the**  
 47 **inspection of officers of the city and the public. No later than the tenth day of each month,**  
 48 **the director shall distribute all moneys deposited in the trust fund during the preceding**  
 49 **month to the city which levied the tax. Such funds shall be deposited with the city**  
 50 **treasurer of each such city, and all expenditures of funds arising from the trust fund shall**  
 51 **be by an appropriation act to be enacted by the governing body of each such city.**  
 52 **Expenditures may be made from the fund for any functions authorized in the ordinance**  
 53 **or order adopted by the governing body submitting the tax to the voters. If the tax is**

54 repealed, all funds remaining in the special trust fund shall continue to be used solely for  
 55 the designated purposes. Any funds in the special trust fund that are not needed for  
 56 current expenditures shall be invested in the same manner as other funds are invested.  
 57 Any interest and moneys earned on such investments shall be credited to the fund.

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

69 **5. The governing body of any city that has adopted the sales tax authorized under**  
 70 **this section may submit the question of repeal of the tax to the voters on any date available**  
 71 **for elections for the city. The ballot language shall be in substantially the following form:**

72

73 **Shall the city of ..... (insert name of city) repeal the sales tax imposed at a rate of .....**  
 74 **(insert rate) percent for the purpose of improving the public safety of the city?**

75

76  **YES**                       **NO**

77

78 **If a majority of the votes cast on the question are in favor of repeal, that repeal shall**  
 79 **become effective on December thirty-first of the calendar year in which such repeal was**  
 80 **approved. If a majority of the votes cast on the question by the qualified voters voting**  
 81 **thereon are opposed to the repeal, then the sales tax authorized under this section shall**  
 82 **remain effective until the question is resubmitted and approved under this section.**

83 **6. The governing body of any city that has adopted the sales tax authorized under**  
 84 **this section shall submit the question of the continuation of the tax to the voters fifteen**  
 85 **years from the date of its inception and every ten years thereafter on a date available for**  
 86 **elections for the city. The ballot language shall be in substantially the following form:**

87

88 **Shall ..... (insert name of city) continue collecting a sales tax imposed at a rate of**  
89 **..... (insert rate) percent for the purpose of providing revenues for the operation of**  
90 **public safety departments of the city?**

91

92  **YES**

**NO**

93

94 **If a majority of the votes cast on the question by the qualified voters voting thereon are**  
95 **opposed to continuation, the repeal shall become effective on December thirty-first of the**  
96 **calendar year in which such continuation failed to be approved. If a majority of the votes**  
97 **cast on the question by the qualified voters voting thereon are in favor of continuation,**  
98 **then the sales tax authorized under this section shall remain effective until the question is**  
99 **resubmitted under this section to the qualified voters and continuation fails to be approved**  
100 **by a majority of the qualified voters voting on the question.**

101 **7. Except as modified under this section, all provisions of sections 32.085 and 32.087**  
102 **shall apply to the tax imposed under this section.**

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