

SECOND REGULAR SESSION

HOUSE BILL NO. 1685

91ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES LUETKENHAUS AND OSTMANN (Co-sponsors).

Read 1st time January 29, 2002, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

3961L.01I

AN ACT

To repeal sections 142.803, 144.020, 144.440, 226.200, 301.055, 301.057, 301.058, 301.059, 301.061, 301.063, 301.065, 301.067, 301.069 and 302.177, RSMo, relating to transportation funding, and to enact in lieu thereof fourteen new sections relating to the same subject, with a referendum clause.

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

Section A. Sections 142.803, 144.020, 144.440, 226.200, 301.055, 301.057, 301.058, 301.059, 301.061, 301.063, 301.065, 301.067, 301.069 and 302.177, RSMo, are repealed and fourteen new sections enacted in lieu thereof, to be known as sections 142.803, 144.020, 144.440, 226.200, 301.055, 301.057, 301.058, 301.059, 301.061, 301.063, 301.065, 301.067, 301.069 and 302.177, to read as follows:

142.803. 1. A tax is levied and imposed on all motor fuel used or consumed in this state as follows:

(1) Motor fuel, seventeen cents per gallon. [Beginning April 1, 2008, the tax rate shall become eleven cents per gallon] **Beginning on the first day of the first full fiscal year following approval by a majority of the votes cast upon this act, the motor fuel tax rate shall be twenty-two cents per gallon;**

(2) Alternative fuels, not subject to the decal fees as provided in section 142.869, with a power potential equivalent of motor fuel. In the event alternative fuel, which is not commonly sold or measured by the gallon, is used in motor vehicles on the highways of this state, the director is authorized to assess and collect a tax upon such alternative fuel measured by the nearest power potential equivalent to that of one gallon of regular grade gasoline. The

EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

12 determination by the director of the power potential equivalent of such alternative fuel shall be
13 prima facie correct;

14 (3) Aviation fuel used in propelling aircraft with reciprocating engines, nine cents per
15 gallon as levied and imposed by section 155.080, RSMo, to be collected as required under this
16 chapter.

17 2. All taxes, surcharges and fees are imposed upon the ultimate consumer, but are to be
18 precollected as described in this chapter, for the facility and convenience of the consumer. The
19 levy and assessment on other persons as specified in this chapter shall be as agents of this state
20 for the precollection of the tax.

144.020. 1. A tax is hereby levied and imposed upon all sellers for the privilege of
2 engaging in the business of selling tangible personal property or rendering taxable service at
3 retail in this state. The rate of tax shall be as follows:

4 (1) Upon every retail sale in this state of tangible personal property, including but not
5 limited to motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats and outboard
6 motors, a tax equivalent to four **and one-fourth** percent of the purchase price paid or charged,
7 or in case such sale involves the exchange of property, a tax equivalent to four **and one-fourth**
8 percent of the consideration paid or charged, including the fair market value of the property
9 exchanged at the time and place of the exchange, except as otherwise provided in section
10 144.025;

11 (2) A tax equivalent to four **and one-fourth** percent of the amount paid for admission
12 and seating accommodations, or fees paid to, or in any place of amusement, entertainment or
13 recreation, games and athletic events;

14 (3) A tax equivalent to four **and one-fourth** percent of the basic rate paid or charged on
15 all sales of electricity or electrical current, water and gas, natural or artificial, to domestic,
16 commercial or industrial consumers;

17 (4) A tax equivalent to four **and one-fourth** percent on the basic rate paid or charged
18 on all sales of local and long distance telecommunications service to telecommunications
19 subscribers and to others through equipment of telecommunications subscribers for the
20 transmission of messages and conversations and upon the sale, rental or leasing of all equipment
21 or services pertaining or incidental thereto; except that, the payment made by
22 telecommunications subscribers or others, pursuant to section 144.060, and any amounts paid
23 for access to the Internet or interactive computer services shall not be considered as amounts paid
24 for telecommunications services;

25 (5) A tax equivalent to four **and one-fourth** percent of the basic rate paid or charged for
26 all sales of services for transmission of messages of telegraph companies;

27 (6) A tax equivalent to four **and one-fourth** percent on the amount of sales or charges

28 for all rooms, meals and drinks furnished at any hotel, motel, tavern, inn, restaurant, eating
29 house, drugstore, dining car, tourist cabin, tourist camp or other place in which rooms, meals or
30 drinks are regularly served to the public;

31 (7) A tax equivalent to four **and one-fourth** percent of the amount paid or charged for
32 intrastate tickets by every person operating a railroad, sleeping car, dining car, express car, boat,
33 airplane and such buses and trucks as are licensed by the division of motor carrier and railroad
34 safety of the department of economic development of Missouri, engaged in the transportation of
35 persons for hire;

36 (8) A tax equivalent to four **and one-fourth** percent of the amount paid or charged for
37 rental or lease of tangible personal property, provided that if the lessor or renter of any tangible
38 personal property had previously purchased the property under the conditions of "sale at retail"
39 as defined in subdivision (8) of section 144.010 or leased or rented the property and the tax was
40 paid at the time of purchase, lease or rental, the lessor, sublessor, renter or subrenter shall not
41 apply or collect the tax on the subsequent lease, sublease, rental or subrental receipts from that
42 property. The purchase, rental or lease of motor vehicles, trailers, motorcycles, mopeds,
43 motortricycles, boats, and outboard motors shall be taxed and the tax paid as provided in this
44 section and section 144.070. In no event shall the rental or lease of boats and outboard motors
45 be considered a sale, charge, or fee to, for or in places of amusement, entertainment or recreation
46 nor shall any such rental or lease be subject to any tax imposed to, for, or in such places of
47 amusement, entertainment or recreation. Rental and leased boats or outboard motors shall be
48 taxed under the provisions of the sales tax laws as provided under such laws for motor vehicles
49 and trailers. Tangible personal property which is exempt from the sales or use tax under section
50 144.030 upon a sale thereof is likewise exempt from the sales or use tax upon the lease or rental
51 thereof.

52 2. All tickets sold which are sold under the provisions of sections 144.010 to 144.525
53 which are subject to the sales tax shall have printed, stamped or otherwise endorsed thereon, the
54 words "This ticket is subject to a sales tax."

144.440. 1. In addition to all other taxes now or hereafter levied and imposed upon
2 every person for the privilege of using the highways or waterways of this state, there is hereby
3 levied and imposed a tax equivalent to four **and one-fourth** percent of the purchase price, as
4 defined in section 144.070, which is paid or charged on new and used motor vehicles, trailers,
5 boats, and outboard motors purchased or acquired for use on the highways or waters of this state
6 which are required to be registered under the laws of the state of Missouri.

7 2. At the time the owner of any such motor vehicle, trailer, boat, or outboard motor
8 makes application to the director of revenue for an official certificate of title and the registration
9 of the same as otherwise provided by law, he shall present to the director of revenue evidence

10 satisfactory to the director showing the purchase price paid by or charged to the applicant in the
11 acquisition of the motor vehicle, trailer, boat, or outboard motor, or that the motor vehicle,
12 trailer, boat, or outboard motor is not subject to the tax herein provided and, if the motor vehicle,
13 trailer, boat, or outboard motor is subject to the tax herein provided, the applicant shall pay or
14 cause to be paid to the director of revenue the tax provided herein.

15 3. In the event that the purchase price is unknown or undisclosed, or that the evidence
16 thereof is not satisfactory to the director of revenue, the same shall be fixed by appraisement by
17 the director.

18 4. No certificate of title shall be issued for such motor vehicle, trailer, boat, or outboard
19 motor unless the tax for the privilege of using the highways or waters of this state has been paid
20 or the vehicle, trailer, boat, or outboard motor is registered under the provisions of subsection
21 5 of this section.

22 5. The owner of any motor vehicle, trailer, boat, or outboard motor which is to be used
23 exclusively for rental or lease purposes may pay the tax due thereon required in section 144.020
24 at the time of registration or in lieu thereof may pay a use tax as provided in sections 144.010,
25 144.020, 144.070 and 144.440. A use tax shall be charged and paid on the amount charged for
26 each rental or lease agreement while the motor vehicle, trailer, boat, or outboard motor is
27 domiciled in the state. If the owner elects to pay upon each rental or lease, he shall make an
28 affidavit to that effect in such form as the director of revenue shall require and shall remit the tax
29 due at such times as the director of revenue shall require.

30 6. In the event that any leasing company which rents or leases motor vehicles, trailers,
31 boats, or outboard motors elects to collect a use tax, all of its lease receipt would be subject to
32 the use tax, regardless of whether or not the leasing company previously paid a sales tax when
33 the vehicle, trailer, boat, or outboard motor was originally purchased.

34 7. The provisions of this section, and the tax imposed by this section, shall not apply to
35 manufactured homes.

226.200. 1. There is hereby created a "State Highways and Transportation Department
2 Fund" into which shall be paid or transferred all state revenue derived from highway users as an
3 incident to their use or right to use the highways of the state, including all state license fees and
4 taxes upon motor vehicles, trailers, and motor vehicle fuels, and upon, with respect to, or on the
5 privilege of the manufacture, receipt, storage, distribution, sale or use thereof (excepting the sales
6 tax on motor vehicles and trailers, and all property taxes), and all other revenue received or held
7 for expenditure by or under the department of transportation or the state highways and
8 transportation commission, except:

- 9 (1) Money arising from the sale of bonds;
10 (2) Money received from the United States government; or

11 (3) Money received for some particular use or uses other than for the payment of
12 principal and interest on outstanding state road bonds.

13 2. Subject to the limitations of subsection 3 of this section, from said fund shall be paid
14 or credited the cost:

15 (1) Of collection of all said state revenue derived from highway users as an incident to
16 their use or right to use the highways of the state;

17 (2) Of maintaining the state highways and transportation commission;

18 (3) Of maintaining the state transportation department;

19 (4) Of any workers' compensation for state transportation department employees;

20 (5) Of the share of the transportation department in any retirement program for state
21 employees, only as may be provided by law; and

22 (6) Of administering and enforcing any state motor vehicle laws or traffic regulations.

23 3. [For all future fiscal years,] The total amount of appropriations from the state
24 highways and transportation department fund for all state offices and departments shall not
25 exceed the total amount appropriated for such offices and departments from said fund for fiscal
26 year 2001. **Beginning the first fiscal year following voter approval of this act, the total
27 amount of appropriations from the state highways and transportation department fund
28 for all state offices shall not exceed one hundred sixty million dollars. The total amount
29 appropriated for such efforts and departments from this fund shall be reduced by an
30 additional forty million dollars for every subsequent fiscal year thereafter until all state
31 offices and departments do not receive any appropriations from the fund for fiscal year
32 2007 or any subsequent fiscal year.**

33 4. The provisions of subsection 3 of this section shall not apply to appropriations from
34 the state highways and transportation department fund to the highways and transportation
35 commission and the state transportation department or to appropriations to the office of
36 administration for department of transportation employee fringe benefits and OASDHI payments,
37 or to appropriations to the department of revenue for motor vehicle fuel tax refunds under
38 chapter 142, RSMo, or to appropriations to the department of revenue for refunds or
39 overpayments or erroneous payments from the state highways and transportation department
40 fund.

41 5. All interest earned upon the state highways and transportation department fund shall
42 be deposited in and to the credit of such fund.

43 6. Any balance remaining in said fund after payment of said costs shall be transferred
44 to the state road fund.

45 7. Notwithstanding the provisions of subsection 2 of this section to the contrary, any
46 funds raised as a result of increased taxation pursuant to sections 142.025 and 142.372, RSMo,

47 after April 1, 1992, shall not be used for administrative purposes or administrative expenses of
 48 the transportation department.

301.055. The annual registration fee for motor vehicles other than commercial motor
 2 vehicles is:

3	Less than 12 horsepower	[\$18.00] \$30.00
4	12 horsepower and less than 24 horsepower	[21.00] 30.00
5	24 horsepower and less than 36 horsepower	[24.00] 45.00
6	36 horsepower and less than 48 horsepower	[33.00] 45.00
7	48 horsepower and less than 60 horsepower	[39.00] 60.00
8	60 horsepower and less than 72 horsepower	[45.00] 60.00
9	72 horsepower and more	[51.00] 60.00
10	Motorcycles	[8.50] 11.50
11	Motortricycles	[10.00] 13.00

301.057. The annual registration fee for property-carrying commercial motor vehicles,
 2 not including property-carrying local commercial motor vehicles, or land improvement
 3 contractors' commercial motor vehicles, based on gross weight is:

4	6,000 pounds and under	[\$ 25.50] \$ 33.50
5	6,001 pounds to 9,000 pounds	[38.00] 47.50
6	9,001 pounds to 12,000 pounds	[38.00] 47.50
7	12,001 pounds to 18,000 pounds	[63.00] 79.00
8	18,001 pounds to 24,000 pounds	[100.50] 125.50
9	24,001 pounds to 26,000 pounds	[127.00] 159.00
10	26,001 pounds to 30,000 pounds	[180.00] 225.00
11	30,001 pounds to 36,000 pounds	[275.50] 344.50
12	36,001 pounds to 42,000 pounds	[413.00] 516.00
13	42,001 pounds to 48,000 pounds	[550.50] 688.00
14	48,001 pounds to 54,000 pounds	[688.00] 860.00
15	54,001 pounds to 60,010 pounds	[825.50] 1,032.00
16	60,011 pounds to 66,000 pounds	[1,100.50] 1,375.50
17	66,001 pounds to 73,280 pounds	[1,375.50] 1,719.50
18	73,281 pounds to 78,000 pounds	[1,650.50] 2,063.00
19	78,001 pounds to 80,000 pounds	[1,719.50] 2,149.50

301.058. 1. The annual registration fee for property-carrying local commercial motor
 2 vehicles, other than a land improvement contractors' commercial motor vehicles, based on gross
 3 weight is:

4	6,000 pounds and under	[\$ 15.50] \$ 20.50
---	----------------------------------	----------------------------

5	6,001 pounds to 12,000 pounds	[18.00]	24.00
6	12,001 pounds to 18,000 pounds	[20.50]	27.50
7	18,001 pounds to 24,000 pounds	[27.50]	36.50
8	24,001 pounds to 26,000 pounds	[33.50]	44.50
9	26,001 pounds to 30,000 pounds	[45.50]	60.50
10	30,001 pounds to 36,000 pounds	[67.50]	90.00
11	36,001 pounds to 42,000 pounds	[100.50]	133.50
12	42,001 pounds to 48,000 pounds	[135.50]	180.00
13	48,001 pounds to 54,000 pounds	[170.50]	227.00
14	54,001 pounds to 60,010 pounds	[200.50]	266.50
15	60,011 pounds to 66,000 pounds	[270.50]	360.00
16	66,001 pounds to 72,000 pounds	[335.50]	446.00
17	72,001 pounds to 80,000 pounds	[350.50]	466.00

18 2. Any person found to have improperly registered a motor vehicle in excess of fifty-four
19 thousand pounds when he or she was not entitled to shall be required to purchase the proper
20 license plates and, in addition to all other penalties provided by law, shall be subject to the
21 annual registration fee for the full calendar year for the vehicle's gross weight as prescribed in
22 section 301.057.

301.059. The annual registration fee for passenger-carrying commercial motor vehicles 2 (not including passenger-carrying local commercial motor vehicles, school buses or local transit 3 buses) based on seating capacity is:			
4	10 passengers or less	[\$ 100.50]	\$ 150.00
5	11 to 18 passengers	[180.50]	270.00
6	19 to 25 passengers	[250.50]	375.00
7	26 to 29 passengers	[290.50]	435.00
8	30 to 33 passengers	[330.50]	495.00
9	34 to 37 passengers	[370.50]	555.00
10	38 to 41 passengers	[410.50]	546.00
11	42 to 45 passengers	[450.50]	599.00

301.061. The annual registration fee for passenger-carrying local commercial motor 2 vehicles based on seating capacity is:			
3	10 passengers or less	[\$ 50.50]	\$ 67.50
4	11 to 18 passengers	[90.50]	120.50
5	19 to 25 passengers	[125.50]	167.00
6	26 to 29 passengers	[145.50]	193.50
7	30 to 33 passengers	[165.50]	220.00

8	34 to 37 passengers	.....	[185.50] 247.00
9	38 to 41 passengers	.....	[205.50] 273.50
10	42 to 45 passengers	.....	[225.50] 300.00

301.063. The annual registration fee for local transit buses based on seating capacity is:

2	40 passengers or less	.....	[\$ 25.50] \$34.00
3	41 to 45 passengers	.....	[35.50] 47.00
4	Over 45 passengers	.....	[50.50] 67.00

301.065. The annual registration fee for each school bus, [twenty-five] **thirty-four** dollars[, fifty cents].

301.067. 1. For each trailer or semitrailer there shall be paid an annual fee of [seven] **ten** dollars [fifty cents], and in addition thereto such permit fee authorized by law against trailers used in combination with tractors operated under the supervision of the motor carrier and railroad safety division of the department of economic development. The fees for tractors used in any combination with trailers or semitrailers or both trailers and semitrailers (other than on passenger-carrying trailers or semitrailers) shall be computed on the total gross weight of the vehicles in the combination with load.

2. Any trailer or semitrailer may at the option of the registrant be registered for a period of three years upon payment of a registration fee of [twenty-two] **thirty** dollars [and fifty cents].

3. Any trailer or semitrailer which is operated coupled to a towing vehicle by a fifth wheel and kingpin assembly or by a trailer converter dolly may, at the option of the registrant, be registered permanently upon the payment of a registration fee of [fifty-two] **sixty-nine** dollars and fifty cents. The permanent plate and registration fee is vehicle specific. The plate and the registration fee paid is nontransferable and nonrefundable, except those covered under the provisions of section 301.442.

301.069. For each driveaway license there shall be paid an annual license fee of [forty-four] **fifty-eight** dollars [and fifty cents] for one set of plates or such insignia as the director may issue which shall be attached to the motor vehicle as prescribed in this chapter. For single trips the fee shall be [four] **five** dollars **and fifty cents**, and descriptive insignia shall be prepared and issued at the discretion of the director who shall also prescribe the type of equipment used to attach such vehicles in combinations.

302.177. 1. To all applicants for a license or renewal to transport persons or property classified in section 302.015 who are at least twenty-one years of age and under the age of seventy, and who submit a satisfactory application and meet the requirements set forth in sections 302.010 to 302.605, the director shall issue or renew a license upon the payment of a fee of [thirty] **thirty-five** dollars; except that, no license shall be issued if an applicant's license is currently suspended, taken up, canceled, revoked, or deposited in lieu of bail.

7 2. To all applicants for a license or renewal who are between twenty-one and sixty-nine
8 years of age, and who submit a satisfactory application and meet the requirements set forth in
9 sections 302.010 to 302.605, the director shall issue or renew a license upon the payment of a
10 fee of [fifteen] **twenty** dollars; except that, no license shall be issued if an applicant's license is
11 currently suspended, taken up, canceled, revoked, or deposited in lieu of bail.

12 3. All licenses issued pursuant to subsections 1 and 2 of this section shall expire on the
13 applicant's birthday in the sixth year after issuance and must be renewed on or before the date
14 of expiration, which date shall be shown on the license. The director shall have the authority to
15 stagger the expiration date of driver's licenses and nondriver's licenses being issued or renewed
16 over a six-year period.

17 4. To all applicants for a license or renewal to transport persons or property classified
18 in section 302.015 who are between eighteen and twenty-one years of age or greater than
19 sixty-nine years of age, and who submit a satisfactory application and meet the requirements set
20 forth in sections 302.010 to 302.605, the director shall issue or renew a license upon the payment
21 of a fee of fifteen dollars.

22 5. To all other applicants for a license or renewal less than twenty-one years of age or
23 greater than sixty-nine years of age who submit a satisfactory application and meet the
24 requirements set forth in sections 302.010 to 302.605, the director shall issue or renew a license
25 upon the payment of a fee of seven dollars and fifty cents. All licenses issued pursuant to this
26 subsection and subsection 4 of this section shall expire on the applicant's birthday in the third
27 year after issuance.

28 6. The director of revenue may adopt any rules and regulations necessary to carry out the
29 provisions of this section. No rule or portion of a rule promulgated pursuant to the authority of
30 this section shall become effective unless it has been promulgated pursuant to the provisions of
31 chapter 536, RSMo.

 Section B. Section A of this act is hereby submitted to the qualified voters of this state
2 for approval or rejection at a special election which is hereby ordered and which shall be held
3 and conducted on the first Tuesday in November, 2002, pursuant to the laws and constitutional
4 provisions of this state applicable to general elections and the submission of referendum
5 measures by initiative petitions, and section A of this act shall become effective the first full
6 fiscal year following approval by a majority of the votes cast thereon at such election and not
7 otherwise.