

FIRST REGULAR SESSION

HOUSE BILL NO. 602

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES SCHARNHORST (Sponsor), JONES (117), NIEVES,
STEVENSON, JONES (89), WALTON GRAY AND PACE (Co-sponsors).

0087L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 144.070, RSMo, and to enact in lieu thereof one new section relating to motor vehicle sales tax.

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

Section A. Section 144.070, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 144.070, to read as follows:

144.070. 1. At the time the owner of any new or used motor vehicle, trailer, boat, or outboard motor which was acquired in a transaction subject to sales tax under the Missouri sales tax law makes application to the director of revenue for an official certificate of title and the registration of the [automobile] **motor vehicle**, trailer, boat, or outboard motor as otherwise provided by law, [he] **the owner** shall present to the director of revenue evidence satisfactory to the director of revenue showing the purchase price exclusive of any charge incident to the extension of credit paid by or charged to the applicant in the acquisition of the motor vehicle, trailer, boat, or outboard motor, or that no sales tax was incurred in its acquisition, and if sales tax was incurred in its acquisition, the applicant shall pay or cause to be paid to the director of revenue the sales tax provided by the Missouri sales tax law in addition to the registration fees now or hereafter required according to law, and the director of revenue shall not issue a certificate of title for any new or used motor vehicle, trailer, boat, or outboard motor subject to sales tax as provided in the Missouri sales tax law until the tax levied for the sale of the same under sections 144.010 to 144.510 has been paid as [herein] provided **in this section** or is registered under the provisions of subsection 5 of this section.

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.

16 2. As used [above] **in subsection 1 of this section**, the term "purchase price" shall mean
17 the total amount of the contract price agreed upon between the seller and the applicant in the
18 acquisition of the motor vehicle, trailer, boat, or outboard motor, regardless of the medium of
19 payment therefor.

20 3. In the event that the purchase price is unknown or undisclosed, or that the evidence
21 thereof is not satisfactory to the director of revenue, the same shall be fixed by appraisalment by
22 the director.

23 4. The director of the department of revenue shall endorse upon the official certificate
24 of title issued by [him] **the director** upon such application an entry showing that such sales tax
25 has been paid or that the **motor** vehicle, trailer, boat, or outboard motor represented by such
26 certificate is exempt from sales tax and state the ground for such exemption.

27 5. Any person, company, or corporation engaged in the business of renting or leasing
28 motor vehicles, trailers, boats, or outboard motors, which are to be used exclusively for rental
29 or lease purposes, and not for resale, may apply to the director of revenue for authority to operate
30 as a leasing company. Any company approved by the director of revenue may pay the tax due
31 on any motor vehicle, trailer, boat, or outboard motor as required in section 144.020 at the time
32 of registration thereof or in lieu thereof may pay a sales tax as provided in sections 144.010,
33 144.020, 144.070 and 144.440. A sales tax shall be charged to and paid by a leasing company
34 which does not exercise the option of paying in accordance with section 144.020, on the amount
35 charged for each rental or lease agreement while the motor vehicle, trailer, boat, or outboard
36 motor is domiciled in this state. Any motor vehicle, boat, or outboard motor which is leased as
37 the result of a contract executed in this state shall be presumed to be domiciled in this state.

38 6. Any corporation may have one or more of its divisions separately apply to the director
39 of revenue for authorization to operate as a leasing company, provided that the corporation:

40 (1) Has filed a written consent with the director authorizing any of its divisions to apply
41 for such authority;

42 (2) Is authorized to do business in Missouri;

43 (3) Has agreed to treat any sale of a motor vehicle, trailer, boat, or outboard motor from
44 one of its divisions to another of its divisions as a sale at retail within the meaning of subdivision
45 (9) of subsection 1 of section 144.010;

46 (4) Has registered under the fictitious name provisions of sections 417.200 to 417.230,
47 RSMo, each of its divisions doing business in Missouri as a leasing company; and

48 (5) Operates each of its divisions on a basis separate from each of its other divisions.
49 However, when the transfer of a motor vehicle, trailer, boat or outboard motor occurs within a
50 corporation which holds a license to operate as a motor vehicle or boat dealer pursuant to

51 sections 301.550 to [301.575] **301.573**, RSMo, the provisions in subdivision (3) of this
52 subsection shall not apply.

53 7. If the owner of any motor vehicle, trailer, boat, or outboard motor desires to charge
54 and collect sales tax as provided [hereinabove] **in this section**, [he] **the owner** shall make
55 application to the director of revenue for a permit to operate as a motor vehicle, trailer, boat, or
56 outboard motor leasing company. The director of revenue shall promulgate rules and regulations
57 determining the qualifications of such a company, and the method of collection and reporting of
58 sales tax charged and collected. Such regulations shall apply only to owners of motor vehicles,
59 trailers, boats, or outboard motors, electing to qualify as motor vehicle, trailer, boat, or outboard
60 motor leasing companies under the provisions of subsection 5 of this section, and no motor
61 vehicle renting or leasing, trailer renting or leasing, or boat or outboard motor renting or leasing
62 company can come under sections 144.010, 144.020, 144.070 and 144.440 unless all **motor**
63 vehicles, trailers, boats, and outboard motors held for renting and leasing are included.

64 **8. Beginning August 28, 2009, the sales and use tax due under the Missouri sales**
65 **and use tax law on the sale of a new or used motor vehicle or boat with a purchase price**
66 **of more than fifteen thousand dollars may be paid to the director of revenue in quarterly**
67 **installments over the course of one year beginning with the day the purchase is made. The**
68 **days upon which the quarterly payments are due shall be determined by the director of**
69 **revenue. If the motor vehicle or boat is sold or otherwise transferred, is replaced due to**
70 **theft, or is deemed a total casualty loss, before the sales or use tax is paid in full, any**
71 **remaining sales tax that was not paid at the time of the purchase or registration of the**
72 **motor vehicle or boat shall be paid within thirty days of the sale, transfer, theft, or casualty**
73 **loss.**

✓