

HCS SCS SB 182 -- LOCAL SALES TAX ON MOTOR VEHICLE PURCHASES

(Vetoed by the Governor)

This bill prohibits state and local use taxes on the sale of motor vehicles, trailers, boats, or outboard motors. State and local sales taxes must be imposed on the sale of these items at the time of titling in Missouri, regardless of whether the item was purchased in this state. The residence of the purchaser will be used for determining the local tax rate that should apply. The rate of tax for motor vehicles, trailers, boats, or outboard motors sold at retail must be the sum of the state sales tax and the local sales tax.

All local taxing jurisdictions that have not previously approved a local use tax must put to a vote of the people whether to discontinue collecting sales tax on the sale of motor vehicles, trailers, boats, or outboard motors purchased out-of-state when titling in Missouri. If a taxing jurisdiction does not hold the vote before November 2016, the taxing jurisdiction must cease collecting the sales tax. A taxing jurisdiction may, at any time, hold a vote to repeal the tax. Language repealing the tax must also be put to a vote of the people any time 15% of the registered voters in a taxing jurisdiction sign a petition requesting it.

The provisions of the bill are nonseverable and if any provision is for any reason held to be invalid, the decision must invalidate all of the remaining provisions.

The bill contains an emergency clause.