

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 1725**  
**97TH GENERAL ASSEMBLY**

5751H.02C

D. ADAM CRUMBLISS, Chief Clerk

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**AN ACT**

To repeal sections 144.083 and 144.087, RSMo, and to enact in lieu thereof two new sections relating to retail sales licensees.

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

Section A. Sections 144.083 and 144.087, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 144.083 and 144.087, to read as follows:

144.083. 1. The director of revenue shall require all persons who are responsible for the collection of taxes under the provisions of section 144.080 to procure a retail sales license at no cost to the licensee which shall be prominently displayed at the licensee's place of business, and the license is valid until revoked by the director or surrendered by the person to whom issued when sales are discontinued. The director shall issue the retail sales license within ten working days following the receipt of a properly completed application. Any person applying for a retail sales license or reinstatement of a revoked sales tax license who owes any tax under sections 144.010 to 144.510 or sections 143.191 to 143.261 must pay the amount due plus interest and penalties before the department may issue the applicant a license or reinstate the revoked license. All persons beginning business subsequent to August 13, 1986, and who are required to collect the sales tax shall secure a retail sales license prior to making sales at retail. Such license may, after ten days' notice, be revoked by the director of revenue only in the event the licensee shall be in default for a period of sixty days in the payment of any taxes levied under section 144.020 or sections 143.191 to 143.261. Notwithstanding the provisions of section 32.057 in the event of revocation, the director of revenue may publish the status of the business account including the date of revocation in a manner as determined by the director.

2. The possession of a retail sales license and a statement from the department of revenue that the licensee owes no tax due under sections 144.010 to 144.510, **sections 144.600 to**

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.

19 **144.745**, or sections 143.191 to [143.261] **143.265** shall be a prerequisite to the issuance or  
20 renewal of any city or county occupation license or any state license which is required for  
21 conducting any business where goods are sold at retail. The date of issuance on the statement  
22 that the licensee owes no tax due shall be no more than ninety days before the date of submission  
23 for application or renewal of the local license. The revocation of a retailer's license by the  
24 director shall render the occupational license or the state license null and void.

25 3. No person responsible for the collection of taxes under section 144.080 shall make  
26 sales at retail unless such person is the holder of a valid retail sales license. After all appeals  
27 have been exhausted, the director of revenue may notify the county or city law enforcement  
28 agency representing the area in which the former licensee's business is located that the retail sales  
29 license of such person has been revoked, and that any county or city occupation license of such  
30 person is also revoked. The county or city may enforce the provisions of this section, and may  
31 prohibit further sales at retail by such person.

32 4. In addition to the provisions of subsection 2 of this section, beginning January 1,  
33 [2009] **2018**, the possession of a statement from the department of revenue stating no tax is due  
34 **for any individual or corporation subject to the tax** under sections [143.191 to 143.265 or  
35 sections 144.010 to 144.510] **143.011 to 143.071** shall also be a prerequisite to the issuance or  
36 renewal of any city or county occupation license or any state license required for conducting any  
37 business where goods are sold at retail. The statement of no tax due shall be dated no [longer]  
38 **more** than ninety days before the date of submission for application or renewal of the city or  
39 county license.

40 5. Notwithstanding any law or rule to the contrary, sales tax shall only apply to the sale  
41 price paid by the final purchaser and not to any off-invoice discounts or other pricing discounts  
42 or mechanisms negotiated between manufacturers, wholesalers, and retailers.

144.087. 1. **(1) Except as provided in subdivision (2) of this subsection**, the director  
2 of revenue shall require all applicants for retail sales licenses and all licensees in default in filing  
3 a return and paying their taxes when due to file a bond in an amount to be determined by the  
4 director, which may be a corporate surety bond or a cash bond, but such bond shall not be more  
5 than three times the average monthly tax liability of the taxpayer, estimated in the case of a new  
6 applicant, otherwise based on the previous twelve months' experience. At such time as the  
7 director of revenue shall deem the amount of a bond required by this section to be insufficient  
8 to cover the average monthly tax liability of a given taxpayer, [he] **the director** may require such  
9 taxpayer to adjust the amount of the bond to the level satisfactory to the director which will cover  
10 the amount of such liability. The director shall, after a reasonable period of satisfactory tax  
11 compliance for two years from the initial date of bonding, release such taxpayer from the  
12 bonding requirement as set forth in this section. All itinerant or temporary businesses shall be

13 required to procure the license and post the bond required under the provisions of sections  
14 144.083 and 144.087 prior to the selling of goods at retail, and in the event that such business  
15 is to be conducted for less than one month, the amount of the bond shall be determined by the  
16 director.

17 **(2) For all years beginning on or after January 1, 2015, no new business that**  
18 **applies for a retail sales license under this section shall be required to file any bond under**  
19 **this section.**

20 2. All cash bonds shall be deposited by the director of revenue into the state general  
21 revenue fund, and shall be released to the taxpayer pursuant to subsection 1 of this section from  
22 funds appropriated by the general assembly for such purpose. If appropriated funds are available,  
23 the commissioner of administration and the state treasurer shall cause such refunds to be paid  
24 within thirty days of the receipt of a warrant request for such payment from the director of the  
25 department of revenue.

26 3. An applicant or licensee in default may, in lieu of filing any bond required under this  
27 section, provide the director of revenue with an irrevocable letter of credit, as defined in section  
28 400.5-103, issued by any state or federally chartered financial institution, in an amount to be  
29 determined by the director or may obtain a certificate of deposit issued by any state or federally  
30 chartered financial institution, in an amount to be determined by the director, where such  
31 certificate of deposit is pledged to the department of revenue until released by the director in the  
32 same manner as bonds are released pursuant to subsection 1 of this section. As used in this  
33 subsection, the term "certificate of deposit" means a certificate representing any deposit of funds  
34 in a state or federally chartered financial institution for a specified period of time which earns  
35 interest at a fixed or variable rate, where such funds cannot be withdrawn prior to a specified  
36 time without forfeiture of some or all of the earned interest.

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