

JOURNAL OF THE HOUSE

Second Regular Session, 97th GENERAL ASSEMBLY

SIXTY-THIRD DAY, TUESDAY, MAY 6, 2014

The House met pursuant to adjournment.

Speaker Jones in the Chair.

Prayer by Representative Chuck Gatschenberger.

What if you woke up tomorrow with only the things you thanked God for today?

And he who searches our hearts knows the mind of the Spirit, because the Spirit intercedes for God's people in accordance with the will of God. And we know that in all things God works for the good of those who love him, who have been called according to his purpose. (Romans 8:27-28)

Let us pray.

Morning, Lord. Thank you for all the blessings and guidance You have shown to us. I thank You for letting us represent the good people of Missouri.

Let us remember why we wanted to become representatives and why we are doing what we are doing, Lord. Please give us Your knowledge, wisdom, and compassion to complete this task.

And the House says, "Amen!"

The Pledge of Allegiance to the flag was recited.

The Journal of the sixty-second day was approved as printed by the following vote:

AYES: 142

Allen	Anders	Anderson	Austin	Bahr
Barnes	Bemskoetter	Berry	Black	Brattin
Brown	Burlison	Burns	Butler	Carpenter
Cierpiot	Conway 10	Conway 104	Cookson	Comejo
Cox	Crawford	Cross	Curtman	Davis
Diehl	Dohman	Dugger	Dunn	Elmer
Engler	Englund	Entlicher	Fitzpatrick	Fitzwater
Flanigan	Fraker	Frame	Franklin	Frederick
Funderburk	Gannon	Gatschenberger	Gosen	Grisamore
Guemsey	Haahr	Haefner	Hampton	Hansen
Harris	Hicks	Higdon	Hinson	Hoskins
Hough	Houghton	Hubbard	Hummel	Hurst
Johnson	Jones 50	Justus	Keeney	Kelley 127
Kelly 45	Kirkton	Koenig	Kolkmeier	Korman
Kratky	Lair	Lant	Lauer	Leara
Lichtenegger	Love	Lynch	Marshall	Mayfield

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McCaherty	McCann Beatty	McGaugh	McKenna	McManus
Messenger	Miller	Mims	Molendorp	Montecillo
Moon	Morris	Muntzel	Neely	Neth
Nichols	Otto	Pace	Parkinson	Pfautsch
Phillips	Pierson	Pike	Pogue	Redmon
Rehder	Reiboldt	Remole	Rhoads	Richardson
Riddle	Rizzo	Roorda	Ross	Rowden
Rowland	Runions	Schamhorst	Schatz	Schieber
Schieffer	Schupp	Shull	Shumake	Smith
Solon	Sommer	Spencer	Stream	Swan
Swearingen	Thomson	Torpey	Walker	Walton Gray
Webber	White	Wieland	Wilson	Wood
Zerr	Mr. Speaker			

NOES: 010

Colona	Ellington	Gardner	LaFaver	McDonald
McNeil	Meredith	Mitten	Newman	Norr

PRESENT: 001

Peters

ABSENT WITH LEAVE: 006

Curtis	English	Hodges	May	Morgan
Wright				

VACANCIES: 004

HOUSE COURTESY RESOLUTIONS OFFERED AND ISSUED

House Resolution No. 2803 through House Resolution No.

SENATE BILLS VETOED DURING THE SECOND REGULAR SESSION

SS#3 SCS SBs 509 & 496, with motion to override the Governor's veto, pending, relating to income taxes, was taken up by Representative Koenig.

Representative Diehl moved the previous question.

Which motion was adopted by the following vote:

AYES: 107

Allen	Anderson	Austin	Bahr	Bames
Bernskoetter	Berry	Brattin	Brown	Burlison
Cierpiot	Conway 104	Cookson	Comejo	Cox
Crawford	Cross	Curtman	Davis	Diehl
Dohman	Dugger	Elmer	Engler	Entlicher
Fitzpatrick	Fitzwater	Flanigan	Fraker	Franklin
Frederick	Funderburk	Gannon	Gatschenberger	Gosen
Grisamore	Guernsey	Haahr	Haefner	Hampton
Hansen	Higdon	Hinson	Hoskins	Hough

Houghton	Hurst	Johnson	Jones 50	Justus
Keeney	Kelley 127	Koenig	Kolkmeier	Korman
Lair	Lant	Lauer	Leara	Lichtenegger
Love	Lynch	Marshall	McCaherty	McGaugh
Messenger	Miller	Molendorp	Moon	Morris
Muntzel	Neely	Neth	Parkinson	Pfautsch
Phillips	Pike	Pogue	Redmon	Rehder
Reiboldt	Remole	Rhoads	Richardson	Riddle
Ross	Rowden	Rowland	Schamhorst	Schatz
Schieber	Shull	Shumake	Solon	Sommer
Spencer	Stream	Swan	Thomson	Torpey
Walker	White	Wieland	Wilson	Wood
Zerr	Mr. Speaker			

NOES: 045

Anders	Black	Burns	Butler	Carpenter
Colona	Conway 10	Dunn	Ellington	Englund
Frame	Gardner	Harris	Hubbard	Hummel
Kelly 45	Kirkton	Kratky	LaFaver	Mayfield
McCann Beatty	McDonald	McKenna	McManus	McNeil
Meredith	Mims	Mitten	Montecillo	Newman
Nichols	Norr	Otto	Pace	Peters
Pierson	Rizzo	Roorda	Runions	Schieffer
Schupp	Smith	Swearingen	Walton Gray	Webber

PRESENT: 000

ABSENT WITH LEAVE: 007

Curtis	English	Hicks	Hodges	May
Morgan	Wright			

VACANCIES: 004

Representative Koenig moved that **SS#3 SCS SBs 509 & 496** be passed, the objections of the Governor thereto notwithstanding.

Which motion was adopted by the following vote:

AYES: 109

Allen	Anderson	Austin	Bahr	Barnes
Bernskoetter	Berry	Brattin	Brown	Burlison
Cierpiot	Conway 104	Cookson	Comejo	Cox
Crawford	Cross	Curtman	Davis	Diehl
Dohrman	Dugger	Elmer	Engler	English
Entlicher	Fitzpatrick	Fitzwater	Flanigan	Fraker
Franklin	Frederick	Funderburk	Gannon	Gatschenberger
Gosen	Grisamore	Guemsey	Haahr	Haefner
Hampton	Hansen	Hicks	Higdon	Hinson
Hoskins	Hough	Houghton	Hurst	Johnson
Jones 50	Justus	Keeney	Kelley 127	Koenig
Kolkmeier	Korman	Lair	Lant	Lauer
Leara	Lichtenegger	Love	Lynch	Marshall
McCaherty	McGaugh	Messenger	Miller	Molendorp

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Moon	Morris	Muntzel	Neely	Neth
Parkinson	Pfäutsch	Phillips	Pike	Pogue
Redmon	Rehder	Reiboldt	Remole	Rhoads
Richardson	Riddle	Ross	Rowden	Rowland
Schamhorst	Schatz	Schieber	Shull	Shumake
Solon	Sommer	Spencer	Stream	Swan
Thomson	Torpey	Walker	White	Wieland
Wilson	Wood	Zer	Mr. Speaker	

NOES: 046

Anders	Black	Burns	Butler	Carpenter
Colona	Conway 10	Curtis	Dunn	Ellington
Englund	Frame	Gardner	Harris	Hubbard
Hummel	Kelly 45	Kirkton	Kratky	LaFaver
Mayfield	McCann Beatty	McDonald	McKenna	McManus
McNeil	Meredith	Mims	Mitten	Montecillo
Newman	Nichols	Norr	Otto	Pace
Peters	Pierson	Rizzo	Roorda	Runions
Schieffer	Schupp	Smith	Swearingen	Walton Gray
Webber				

PRESENT: 000

ABSENT WITH LEAVE: 004

Hodges	May	Morgan	Wright
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VACANCIES: 004

RECESS

On motion of Representative Diehl, the House recessed until 11:15 a.m.

The hour of recess having expired, the House was called to order by Speaker Jones.

THIRD READING OF HOUSE BILLS

HB 2077, relating to the Surplus Revenue Fund, was taken up by Representative Stream.

On motion of Representative Stream, **HB 2077** was read the third time and passed by the following vote:

AYES: 129

Allen	Anders	Anderson	Austin	Bahr
Barnes	Bernskoetter	Berry	Black	Brown
Burlison	Burns	Butler	Carpenter	Cierpiot
Conway 10	Conway 104	Cookson	Comejo	Cox
Crawford	Cross	Curtis	Curtman	Davis
Diehl	Dohrman	Dugger	Dunn	Elmer
Engler	Englund	Entlicher	Fitzpatrick	Fitzwater
Flanigan	Fraker	Franklin	Frederick	Funderburk
Gannon	Gatschenberger	Gosen	Grisamore	Guemsey

Haahr	Haefner	Hampton	Hansen	Harris
Hicks	Higdon	Hinson	Hoskins	Hough
Houghton	Hurst	Johnson	Jones 50	Justus
Keeney	Kelley 127	Kelly 45	Kirkton	Koenig
Kolkmeyer	Korman	Kratky	LaFaver	Lair
Lant	Lauer	Leara	Lichtenegger	Love
Lynch	Mayfield	McCaherty	McCann Beatty	McGaugh
McKenna	McManus	McNeil	Messenger	Miller
Montecillo	Moon	Morris	Muntzel	Neely
Neth	Nichols	Norr	Parkinson	Pfautsch
Phillips	Pike	Redmon	Reiboldt	Remole
Rhoads	Richardson	Riddle	Rizzo	Ross
Rowden	Rowland	Runions	Schamhorst	Schatz
Schieber	Schieffer	Schupp	Shull	Shumake
Solon	Sommer	Stream	Swan	Swearingen
Thomson	Torpey	Walker	Webber	White
Wieland	Wood	Zerr	Mr. Speaker	

NOES: 018

Colona	Ellington	Frame	Gardner	Hubbard
Hummel	Marshall	McDonald	Meredith	Mims
Newman	Otto	Pace	Pierson	Pogue
Roorda	Smith	Walton Gray		

PRESENT: 000

ABSENT WITH LEAVE: 012

Brattin	English	Hodges	May	Mitten
Molendorp	Morgan	Peters	Rehder	Spencer
Wilson	Wright			

VACANCIES: 004

Speaker Jones declared the bill passed.

HB 2063, relating to port authorities, was taken up by Representative Wieland.

On motion of Representative Wieland, **HB 2063** was read the third time and passed by the following vote:

AYES: 117

Allen	Anders	Austin	Bames	Bemskoetter
Berry	Black	Brown	Burns	Butler
Carpenter	Cierpiot	Colona	Conway 10	Cookson
Comejo	Cox	Crawford	Cross	Davis
Diehl	Dohman	Dugger	Dunn	Elmer
Engler	Englund	Entlicher	Fitzwater	Flanigan
Fraker	Frame	Franklin	Frederick	Funderburk
Gannon	Gosen	Grisamore	Guemsey	Haahr
Haefner	Hampton	Hansen	Harris	Hicks
Higdon	Hoskins	Hough	Houghton	Hubbard
Hummel	Hurst	Johnson	Jones 50	Justus
Keeney	Kelley 127	Kelly 45	Kolkmeyer	Korman

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Kratky	LaFaver	Lair	Lauer	Leara
Lichtenegger	Love	Lynch	Mayfield	McCaherty
McCann Beatty	McDonald	McGaugh	McKenna	McManus
Meredith	Messenger	Miller	Mims	Morris
Muntzel	Neely	Neth	Nichols	Pace
Pfäutsch	Phillips	Pike	Redmon	Reiboldt
Rhoads	Richardson	Riddle	Rizzo	Roorda
Rowden	Rowland	Runions	Schamhorst	Schatz
Schieffer	Shull	Shumake	Smith	Solon
Sommer	Stream	Swan	Swearingen	Thomson
Torpey	Walker	White	Wieland	Wood
Zerr	Mr. Speaker			

NOES: 029

Anderson	Bahr	Brattin	Burlison	Curtis
Curtman	Fitzpatrick	Gardner	Gatschenberger	Kirkton
Koenig	Marshall	McNeil	Montecillo	Moon
Newman	Norr	Otto	Parkinson	Pierson
Pogue	Rehder	Remole	Ross	Schieber
Schupp	Walton Gray	Webber	Wright	

PRESENT: 000

ABSENT WITH LEAVE: 013

Conway 104	Ellington	English	Hinson	Hodges
Lant	May	Mitten	Molendorp	Morgan
Peters	Spencer	Wilson		

VACANCIES: 004

Speaker Jones declared the bill passed.

BILLS IN CONFERENCE

SS SCS HCS HB 2011, relating to appropriations, was taken up by Representative Stream.

Representative Stream moved that the House conferees be allowed to exceed the differences on Section 11.440 of **SS SCS HCS HB 2011**.

Which motion was adopted.

HOUSE BILLS WITH SENATE AMENDMENTS

SS SCS HCS HB 1439, as amended, relating to firearms, was taken up by Representative Funderburk.

Representative Funderburk moved that the House refuse to adopt **SS SCS HCS HB 1439, as amended**, and request the Senate to recede from its position and, failing to do so, grant the House a conference.

Which motion was adopted by the following vote, the ayes and noes having been demanded by Representative Mitten:

AYES: 113

Allen	Anderson	Austin	Bahr	Bames
Bernskoetter	Berry	Black	Brattin	Brown
Burlison	Cierpiot	Conway 10	Cookson	Comejo
Cox	Crawford	Cross	Curtis	Curtman
Davis	Diehl	Dohrman	Dugger	Elmer
Engler	Entlicher	Fitzpatrick	Fitzwater	Flanigan
Fraker	Franklin	Frederick	Funderburk	Gannon
Gatschenberger	Gosen	Grisamore	Guernsey	Haahr
Haefner	Hampton	Hansen	Harris	Higdon
Hinson	Hoskins	Hough	Houghton	Hubbard
Hurst	Johnson	Jones 50	Justus	Keeney
Kelley 127	Koenig	Kolkmeier	Korman	LaFaver
Lair	Lant	Lauer	Leara	Lichtenegger
Love	Lynch	Marshall	McGaugh	McKenna
Meredith	Messenger	Miller	Moon	Morris
Muntzel	Neely	Neth	Parkinson	Pfautsch
Phillips	Pike	Pogue	Redmon	Rehder
Reiboldt	Remole	Rhoads	Richardson	Riddle
Ross	Rowden	Rowland	Schamhorst	Schatz
Schieber	Schieffer	Shull	Shumake	Solon
Sommer	Stream	Swan	Swearingen	Thomson
Torpey	Walker	White	Wieland	Wilson
Wood	Zer	Mr. Speaker		

NOES: 032

Anders	Burns	Butler	Colona	Dunn
Englund	Frame	Gardner	Hummel	Kelly 45
Kirkton	Kratky	Mayfield	McCann Beatty	McDonald
McManus	McNeil	Mims	Mitten	Montecillo
Newman	Nichols	Norr	Otto	Pace
Rizzo	Roorda	Rumions	Schupp	Smith
Walton Gray	Wright			

PRESENT: 000

ABSENT WITH LEAVE: 014

Carpenter	Conway 104	Ellington	English	Hicks
Hodges	May	McCaherty	Molendorp	Morgan
Peters	Pierson	Spencer	Webber	

VACANCIES: 004

BILLS CARRYING REQUEST MESSAGES

SCS SB 612, with House Amendment No. 1, House Amendment No. 2, House Amendment No. 3, House Amendment No. 4, and House Amendment No. 5, relating to nonresident entertainer income taxes, was taken up by Representative Hoskins.

Representative Hoskins moved the House refuse to recede from its position on **House Amendment No. 1, House Amendment No. 2, House Amendment No. 3, House Amendment No. 4, and House Amendment No. 5** to **SCS SB 612**, and grant the Senate a conference.

Which motion was adopted.

HCS SCS SBs 493, 485, 495, 516, 534, 545, 595, 616, & 624, as amended, relating to elementary and secondary education, was taken up by Representative Stream.

Representative Stream moved that the House refuse to recede from its position on **HCS SCS SBs 493, 485, 495, 516, 534, 545, 595, 616, & 624, as amended**, and grant the Senate a conference.

Which motion was adopted.

HCS SCS SB 672, as amended, relating to political subdivisions, was taken up by Representative Jones (50).

Representative Jones (50) moved that the House refuse to recede from its position on **HCS SCS SB 672, as amended**, and grant the Senate a conference.

Which motion was adopted.

HCS SCS SB 716, as amended, relating to public health, was taken up by Representative Scharnhorst.

Representative Scharnhorst moved that the House refuse to recede from its position on **HCS SCS SB 716, as amended**, and grant the Senate a conference.

Which motion was adopted.

SPECIAL RECOGNITION

Representatives Crawford and Diehl presented a resolution to Tim Bommel recognizing his many years of service as the House Photojournalist.

MESSAGES FROM THE SENATE

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **HB 1206**.

Emergency clause adopted.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **HCS HB 1300**.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **HCS HB 1729**, entitled:

An act to amend chapter 620, RSMo, by adding thereto one new section relating to a department of economic development office in Israel.

With Senate Amendment No. 1.

Senate Amendment No. 1

AMEND House Committee Substitute for House Bill No. 1729, Page 1, Section Title, Lines 2-3, of the title, by striking "a department of economic development office in Israel" and inserting in lieu thereof the following:

"the department of economic development"; and

Further amend said bill and page, Section A, Line 2, by inserting after all of said line the following:

"620.1900. 1. **For projects authorized tax credits before August 28, 2014**, the department of economic development may charge a fee to the recipient of any tax credits issued by the department, in an amount up to two and one-half percent of the amount of tax credits issued. **For projects authorized tax credits on or after August 28, 2014, the department of economic development may charge a fee to the recipient of any tax credits issued by the department in an amount up to five percent of the amount of tax credits issued. The department shall not charge a fee in excess of two and one half percent of the amount of tax credits issued to the recipient of any tax credit for a project for which a written incentive proposal was offered by the department and accepted prior to August 28, 2014.** The fee shall be paid by the recipient upon the issuance of the tax credits. However, no fee shall be charged for the tax credits issued under section 135.460, or section 208.770, or under sections 32.100 to 32.125, if issued for community services, crime prevention, education, job training, or physical revitalization.

2. All fees received by the department of economic development under this section shall be deposited solely to the credit of the economic development advancement fund, created under subsection 3 of this section.

3. There is hereby created in the state treasury the "Economic Development Advancement Fund", which shall consist of money collected under this section. The state treasurer shall be custodian of the fund and shall approve disbursements from the fund in accordance with sections 30.170 and 30.180. Upon appropriation, money in the fund shall be used solely for the administration of this section. Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

4. Such fund shall consist of any fees charged under subsection 1 of this section, any gifts, contributions, grants, or bequests received from federal, private, or other sources, fees or administrative charges from private activity bond allocations, moneys transferred or paid to the department in return for goods or services provided by the department, and any appropriations to the fund.

5. At least fifty percent of the fees and other moneys deposited in the fund shall be appropriated for marketing, technical assistance, and training, contracts for specialized economic development services, and new initiatives and pilot programming to address economic trends. The remainder may be appropriated toward the costs of staffing and operating expenses for the program activities of the department of economic development, and for accountability functions." ; and

Further amend the title and enacting clause accordingly.

In which the concurrence of the House is respectfully requested.

On motion of Representative Diehl, the House recessed until 2:30 p.m.

AFTERNOON SESSION

The hour of recess having expired, the House was called to order by Speaker Jones.

HOUSE BILLS WITH SENATE AMENDMENTS

SCS HB 1968, relating to health organizations, was taken up by Representative Gosen.

On motion of Representative Gosen, **SCS HB 1968** was adopted by the following vote:

AYES: 148

Allen	Anders	Anderson	Austin	Bahr
Barnes	Bemskoetter	Berry	Black	Brattin
Brown	Burlison	Burns	Butler	Carpenter
Cierpiot	Colona	Conway 10	Conway 104	Cookson
Comejo	Cox	Crawford	Cross	Curtis
Curtman	Davis	Diehl	Dohman	Dugger
Dunn	Ellington	Elmer	Engler	Englund
Entlicher	Fitzpatrick	Fitzwater	Flanigan	Fraker
Frame	Franklin	Frederick	Funderburk	Gannon
Gardner	Gatschenberger	Gosen	Grisamore	Guemsey
Haahr	Haefner	Hampton	Hansen	Harris
Hicks	Higdon	Hinson	Hoskins	Houghton
Hubbard	Hummel	Hurst	Johnson	Jones 50
Justus	Keeney	Kelley 127	Kelly 45	Kirkton
Koenig	Kolkmeier	Korman	Kratky	LaFaver
Lair	Lant	Lauer	Lichtenegger	Love
Lynch	Mayfield	McCaherty	McCann Beatty	McDonald
McGaugh	McKenna	McManus	McNeil	Meredith
Messenger	Miller	Mims	Mitten	Montecillo
Moon	Morris	Muntzel	Neely	Neth
Newman	Nichols	Norr	Otto	Pace
Parkinson	Pfautsch	Phillips	Pierson	Pike
Redmon	Rehder	Reiboldt	Remole	Rhoads
Richardson	Riddle	Rizzo	Roorda	Ross
Rowland	Runions	Schamhorst	Schatz	Schieber
Schieffer	Schupp	Shull	Shumake	Smith
Solon	Sommer	Spencer	Stream	Swan
Swearingen	Thomson	Torpey	Walker	Walton Gray
Webber	White	Wieland	Wilson	Wood
Wright	Zer	Mr. Speaker		

NOES: 002

Marshall Pogue

PRESENT: 000

ABSENT WITH LEAVE: 009

English Hodges Hough Leara May
 Molendorp Morgan Peters Rowden

VACANCIES: 004

On motion of Representative Gosen, **SCS HB 1968** was truly agreed to and finally passed by the following vote:

AYES: 143

Allen	Anders	Anderson	Austin	Bahr
Barnes	Bernskoetter	Berry	Black	Brattin
Brown	Burlison	Burns	Butler	Carpenter
Cierpiot	Colona	Conway 10	Conway 104	Cookson
Comejo	Cox	Crawford	Cross	Curtis
Curtman	Davis	Diehl	Dohman	Dugger
Dunn	Ellington	Elmer	Engler	Englund
Entlicher	Fitzpatrick	Fitzwater	Flanigan	Fraker
Frame	Franklin	Frederick	Funderburk	Gannon
Gardner	Gatschenberger	Gosen	Grisamore	Guemsey
Haahr	Haefner	Hampton	Hansen	Harris
Hicks	Higdon	Hinson	Hoskins	Houghton
Hubbard	Hummel	Hurst	Johnson	Justus
Keeney	Kelley 127	Kelly 45	Kirkton	Koenig
Kolkmeyer	Korman	Kratky	LaFaver	Lair
Lant	Lauer	Lichtenegger	Love	Lynch
Mayfield	McCaherty	McCann Beatty	McDonald	McKenna
McManus	McNeil	Meredith	Messenger	Miller
Mims	Mitten	Montecillo	Moon	Morris
Muntzel	Neely	Neth	Newman	Nichols
Norr	Otto	Pace	Pfautsch	Phillips
Pierson	Pike	Redmon	Rehder	Reiboldt
Remole	Rhoads	Richardson	Riddle	Rizzo
Roorda	Ross	Rowland	Runions	Schatz
Schieber	Schieffer	Schupp	Shull	Shumake
Smith	Solon	Sommer	Spencer	Swan
Swearingen	Thomson	Torpey	Walker	Walton Gray
Webber	White	Wieland	Wilson	Wood
Wright	Zerr	Mr. Speaker		

NOES: 002

Marshall Pogue

PRESENT: 000

ABSENT WITH LEAVE: 014

English	Hodges	Hough	Jones 50	Leara
May	McGaugh	Molendorp	Morgan	Parkinson
Peters	Rowden	Schamhorst	Stream	

VACANCIES: 004

Speaker Jones declared the bill passed.

APPOINTMENT OF CONFERENCE COMMITTEES

The Speaker appointed the following Conference Committees to act with like committees from the Senate on the following bills:

HCS SCS SB 716: Representatives Schamhorst, Frederick, and Kelly (45)

HCS SCS SB 672: Representatives Jones (50), Elmer, and LaFaver

SCS SB 612: Representatives Hoskins, Miller, and Dunn

HOUSE BILLS WITH SENATE AMENDMENTS

SCS HCS HB 1201, relating to surface mining, was taken up by Representative Engler.

On motion of Representative Engler, **SCS HCS HB 1201** was adopted by the following vote:

AYES: 139

Allen	Anders	Anderson	Austin	Bahr
Barnes	Bernskoetter	Berry	Black	Brattin
Brown	Burns	Butler	Carpenter	Cierpiot
Colona	Conway 10	Conway 104	Cookson	Comejo
Cox	Crawford	Curtis	Davis	Diehl
Dohrman	Dugger	Dunn	Ellington	Engler
Englund	Entlicher	Fitzpatrick	Fitzwater	Fraker
Frame	Franklin	Frederick	Funderburk	Gannon
Gatschenberger	Gosen	Grisamore	Haahr	Haefner
Hampton	Hansen	Harris	Higdon	Hinson
Hoskins	Hough	Houghton	Hubbard	Hummel
Hurst	Johnson	Jones 50	Justus	Keeney
Kelley 127	Kelly 45	Kirkton	Koenig	Kolkmeyer
Korman	Kratky	Lair	Lant	Lauer
Leara	Lichtenegger	Love	Lynch	Mayfield
McCaherty	McCann Beatty	McDonald	McGaugh	McKenna
McManus	McNeil	Meredith	Messenger	Miller
Mims	Mitten	Montecillo	Moon	Morris
Neely	Neth	Newman	Nichols	Norr
Otto	Pace	Parkinson	Pfautsch	Phillips
Pierson	Pike	Redmon	Rehder	Reiboldt
Remole	Rhoads	Richardson	Rizzo	Roorda
Ross	Rowden	Rowland	Runions	Schatz
Schieber	Schieffer	Schupp	Shull	Shumake
Smith	Solon	Sommer	Spencer	Stream

Swan	Swearingen	Thomson	Torpey	Walker
Walton Gray	Webber	White	Wieland	Wilson
Wood	Wright	Zerr	Mr. Speaker	

NOES: 004

Burlison	Gardner	Marshall	Pogue
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PRESENT: 000

ABSENT WITH LEAVE: 016

Cross	Curtman	Elmer	English	Flanigan
Guernsey	Hicks	Hodges	LaFaver	May
Molendorp	Morgan	Muntzel	Peters	Riddle
Schamhorst				

VACANCIES: 004

On motion of Representative Engler, **SCS HCS HB 1201** was truly agreed to and finally passed by the following vote:

AYES: 140

Allen	Anders	Anderson	Austin	Bahr
Barnes	Bernskoetter	Berry	Black	Brattin
Brown	Burns	Carpenter	Cierpiot	Conway 10
Conway 104	Cookson	Comejo	Cox	Crawford
Cross	Curtis	Curtman	Davis	Diehl
Dohman	Dugger	Dunn	Ellington	Engler
Englund	Entlicher	Fitzpatrick	Fitzwater	Fraker
Frame	Franklin	Frederick	Funderburk	Gannon
Gatschenberger	Gosen	Grisamore	Haahr	Haefner
Hampton	Hansen	Harris	Higdon	Hinson
Hoskins	Hough	Houghton	Hubbard	Hummel
Hurst	Johnson	Jones 50	Justus	Keeney
Kelley 127	Kelly 45	Kirkton	Koenig	Kolkmeyer
Koman	Kratky	Lair	Lant	Lauer
Leara	Lichtenegger	Love	Lynch	Mayfield
McCaherty	McDonald	McGaugh	McKenna	McManus
McNeil	Meredith	Messenger	Miller	Mims
Mitten	Montecillo	Moon	Morris	Muntzel
Neely	Neth	Newman	Nichols	Norr
Otto	Pace	Parkinson	Pfautsch	Phillips
Pierson	Pike	Redmon	Rehder	Reiboldt
Remole	Rhoads	Richardson	Riddle	Rizzo
Roorda	Ross	Rowden	Rowland	Runions
Schamhorst	Schatz	Schieber	Schieffer	Schupp
Shull	Shumake	Smith	Solon	Sommer
Spencer	Stream	Swan	Thomson	Torpey
Walker	Walton Gray	Webber	White	Wieland
Wilson	Wood	Wright	Zerr	Mr. Speaker

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NOES: 005

Burlison	Gardner	LaFaver	Marshall	Pogue
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PRESENT: 000

ABSENT WITH LEAVE: 014

Butler	Colona	Elmer	English	Flanigan
Guemsey	Hicks	Hodges	May	McCann Beatty
Molendorp	Morgan	Peters	Swearingen	

VACANCIES: 004

Speaker Jones declared the bill passed.

SCS HB 1238, as amended, relating to court costs, was taken up by Representative Hinson.

Speaker Pro Tem Hoskins assumed the Chair.

On motion of Representative Hinson, **SCS HB 1238, as amended**, was adopted by the following vote:

AYES: 105

Allen	Anders	Anderson	Austin	Barnes
Bernskoetter	Black	Brown	Butler	Carpenter
Cierpiot	Colona	Conway 104	Cox	Crawford
Cross	Curtis	Curtman	Davis	Diehl
Dohrman	Dunn	Engler	Englund	Entlicher
Fitzpatrick	Fitzwater	Fraker	Franklin	Frederick
Funderburk	Gannon	Gosen	Grisamore	Guemsey
Haefner	Hansen	Harris	Higdon	Hinson
Hoskins	Hough	Houghton	Hubbard	Hummel
Justus	Keeney	Kelley 127	Kelly 45	Kolkmeier
Korman	Kratky	Lair	Lant	Lauer
Lichtenegger	Love	Lynch	McCann Beatty	McDonald
McGaugh	McKenna	Meredith	Messenger	Miller
Mims	Montecillo	Moon	Morris	Muntzel
Neth	Norr	Pace	Pfautsch	Phillips
Pierson	Pike	Rehder	Reiboldt	Remole
Rhoads	Richardson	Riddle	Rizzo	Roorda
Rowden	Rowland	Runions	Schatz	Schieffer
Shull	Solon	Sommer	Stream	Swan
Swearingen	Thomson	Torpey	Walker	Walton Gray
Webber	White	Wieland	Wood	Zerr

NOES: 039

Bahr	Berry	Brattin	Burlison	Bums
Comejo	Dugger	Ellington	Frame	Gardner
Gatschenberger	Haahr	Hampton	Hurst	Johnson
Kirkton	Koenig	LaFaver	Marshall	Mayfield
McCaherty	McNeil	Mitten	Neely	Newman
Nichols	Otto	Parkinson	Pogue	Ross

Schamhorst	Schieber	Schupp	Shumake	Smith
Spencer	Wilson	Wright	Mr. Speaker	

PRESENT: 001

Conway 10

ABSENT WITH LEAVE: 014

Cookson	Elmer	English	Flanigan	Hicks
Hodges	Jones 50	Leara	May	McManus
Molendorp	Morgan	Peters	Redmon	

VACANCIES: 004

On motion of Representative Hinson, **SCS HB 1238, as amended**, was truly agreed to and finally passed by the following vote:

AYES: 103

Allen	Anders	Anderson	Austin	Bames
Bernskoetter	Black	Brown	Butler	Carpenter
Cierpiot	Colona	Conway 104	Cox	Crawford
Cross	Curtis	Curtman	Davis	Diehl
Dohrman	Engler	English	Englund	Entlicher
Fitzpatrick	Fitzwater	Fraker	Franklin	Funderburk
Gannon	Gosen	Grisamore	Guernsey	Haefner
Hansen	Harris	Hicks	Higdon	Hinson
Hoskins	Hough	Houghton	Hubbard	Hummel
Jones 50	Justus	Keeney	Kelley 127	Kelly 45
Kolkmeyer	Korman	Kratky	Lair	Lant
Lauer	Lichtenegger	Love	Lynch	McCann Beatty
McDonald	McGaugh	McKenna	Meredith	Messenger
Miller	Mims	Montecillo	Moon	Morris
Muntzel	Neth	Norr	Pace	Pfautsch
Phillips	Pierson	Pike	Rehder	Reiboldt
Rhoads	Riddle	Rizzo	Roorda	Rowden
Rowland	Runions	Schatz	Schieffer	Shull
Solon	Sommer	Stream	Swan	Swearingen
Thomson	Torpey	Walker	Walton Gray	Webber
White	Wieland	Wood		

NOES: 044

Bahr	Bery	Brattin	Burlison	Bums
Comejo	Dugger	Dunn	Ellington	Frame
Frederick	Gardner	Gatschenberger	Haahr	Hampton
Hurst	Johnson	Kirkton	Koenig	LaFaver
Leara	Marshall	Mayfield	McCaherty	McNeil
Mitten	Neely	Newman	Nichols	Otto
Parkinson	Pogue	Remole	Ross	Schamhorst
Schieber	Schupp	Shumake	Smith	Spencer
Wilson	Wright	Zerr	Mr. Speaker	

PRESENT: 001

Conway 10

ABSENT WITH LEAVE: 011

Cookson	Elmer	Flanigan	Hodges	May
McManus	Molendorp	Morgan	Peters	Redmon
Richardson				

VACANCIES: 004

Speaker Pro Tem Hoskins declared the bill passed.

SS SCS HB 1490, as amended, relating to elementary and secondary education standards, was taken up by Representative Bahr.

Representative Bahr moved that the House refuse to adopt **SS SCS HB 1490, as amended**, and request the Senate to recede from its position and, failing to do so, grant the House a conference.

Which motion was adopted.

SENATE CONCURRENT RESOLUTIONS

SS SCR 36, relating to the Multiple Sclerosis Task Force, was taken up by Representative Lauer.

On motion of Representative Lauer, **SS SCR 36** was adopted by the following vote:

AYES: 150

Allen	Anders	Anderson	Austin	Bahr
Barnes	Bernskoetter	Berry	Black	Brattin
Brown	Burlison	Burns	Butler	Carpenter
Cierpiot	Colona	Conway 10	Cookson	Comejo
Cox	Crawford	Cross	Curtis	Curtman
Davis	Diehl	Dohrman	Dugger	Dunn
Ellington	Engler	Englund	Fitzpatrick	Fitzwater
Flanigan	Fraker	Frame	Franklin	Frederick
Funderburk	Gannon	Gardner	Gatschenberger	Gosen
Grisamore	Guemsey	Haahr	Haefner	Hampton
Hansen	Harris	Hicks	Higdon	Hinson
Hoskins	Hough	Houghton	Hubbard	Hummel
Hurst	Johnson	Jones 50	Justus	Keeney
Kelley 127	Kelly 45	Kirkton	Koenig	Kolkmeyer
Korman	Kratky	LaFaver	Lair	Lant
Lauer	Leara	Lichtenegger	Love	Lynch
Marshall	Mayfield	McCaherty	McCann Beatty	McDonald
McGaugh	McKenna	McManus	McNeil	Meredith
Messenger	Miller	Mims	Mitten	Montecillo
Moon	Morris	Muntzel	Neely	Neth
Newman	Nichols	Norr	Otto	Pace
Parkinson	Pfautsch	Phillips	Pierson	Pike
Pogue	Redmon	Rehder	Reiboldt	Remole
Rhoads	Richardson	Riddle	Rizzo	Roorda
Ross	Rowden	Rowland	Runions	Schamhorst
Schatz	Schieber	Schieffer	Schupp	Shull

Shumake	Smith	Solon	Sommer	Spencer
Stream	Swan	Swearingen	Thomson	Torpey
Walker	Walton Gray	Webber	White	Wieland
Wilson	Wood	Wright	Zerr	Mr. Speaker

NOES: 000

PRESENT: 000

ABSENT WITH LEAVE: 009

Conway 104	Elmer	English	Entlicher	Hodges
May	Molendorp	Morgan	Peters	

VACANCIES: 004

SCR 29, relating to the Juvenile Justice Task Force, was taken up by Representative Richardson.

On motion of Representative Richardson, **SCR 29** was adopted by the following vote:

AYES: 150

Allen	Anders	Anderson	Austin	Bahr
Barnes	Bernskoetter	Berry	Black	Brattin
Brown	Burlison	Burns	Butler	Carpenter
Cierpiot	Colona	Conway 10	Conway 104	Cookson
Comejo	Cox	Crawford	Cross	Curtis
Curtman	Davis	Dohrman	Dugger	Dunn
Ellington	Engler	Englund	Entlicher	Fitzpatrick
Fitzwater	Flanigan	Fraker	Frame	Franklin
Frederick	Gannon	Gardner	Gatschenberger	Gosen
Grisamore	Guemsey	Haahr	Haefner	Hampton
Hansen	Harris	Hicks	Higdon	Hinson
Hoskins	Hough	Houghton	Hubbard	Hummel
Hurst	Johnson	Jones 50	Justus	Keeney
Kelley 127	Kelly 45	Kirkton	Koenig	Kolkmeier
Koman	Kratky	LaFaver	Lair	Lant
Lauer	Leara	Lichtenegger	Love	Lynch
Marshall	Mayfield	McCaherty	McCann Beatty	McDonald
McGaugh	McKenna	McManus	McNeil	Meredith
Messenger	Miller	Mims	Mitten	Montecillo
Moon	Morris	Muntzel	Neely	Neth
Newman	Nichols	Norr	Otto	Pace
Parkinson	Pfäutsch	Phillips	Pierson	Pike
Pogue	Redmon	Rehder	Reiboldt	Remole
Rhoads	Richardson	Riddle	Rizzo	Roorda
Ross	Rowden	Rowland	Runions	Schamhorst
Schatz	Schieber	Schieffer	Schupp	Shull
Shumake	Smith	Solon	Sommer	Spencer
Stream	Swan	Swearingen	Thomson	Torpey
Walker	Walton Gray	Webber	White	Wieland
Wilson	Wood	Wright	Zerr	Mr. Speaker

NOES: 001

Diehl

PRESENT: 000

ABSENT WITH LEAVE: 008

Elmer	English	Funderburk	Hodges	May
Molendorp	Morgan	Peters		

VACANCIES: 004

THIRD READING OF SENATE BILLS

HCS SB 662, relating to notice of sales tax modifications, was taken up by Representative Koenig.

Representative Koenig offered **House Amendment No. 1**.

House Amendment No. 1

AMEND House Committee Substitute for Senate Bill No. 662, Page 1, in the title, Lines 2 and 3, by deleting the words, "notice of sales tax modifications" and inserting in lieu thereof the word, "taxation"; and

Further amend said bill, Page 2, Section 144.021, Line 29, by inserting after all of said section the following:

"144.080. 1. Every person receiving any payment or consideration upon the sale of property or rendering of service, subject to the tax imposed by the provisions of sections 144.010 to 144.525, is exercising the taxable privilege of selling the property or rendering the service at retail and is subject to the tax levied in section 144.020. The person shall be responsible not only for the collection of the amount of the tax imposed on the sale or service to the extent possible under the provisions of section 144.285, but shall, on or before the last day of the month following each calendar quarterly period of three months, file a return with the director of revenue showing the person's gross receipts and the amount of tax levied in section 144.020 for the preceding quarter, and shall remit to the director of revenue, with the return, the taxes levied in section 144.020, except as provided in subsections 2 and 3 of this section. The director of revenue may promulgate rules or regulations changing the filing and payment requirements of sellers, but shall not require any seller to file and pay more frequently than required in this section.

2. Where the aggregate amount levied and imposed upon a seller by section 144.020 is in excess of two hundred and fifty dollars for either the first or second month of a calendar quarter, the seller shall file a return and pay such aggregate amount for such months to the director of revenue by the twentieth day of the succeeding month.

3. Where the aggregate amount levied and imposed upon a seller by section 144.020 is less than forty-five dollars in a calendar quarter, the director of revenue shall by regulation permit the seller to file a return for a calendar year. The return shall be filed and the taxes paid on or before January thirty-first of the succeeding year.

4. The seller of any property or person rendering any service, subject to the tax imposed by sections 144.010 to 144.525, shall collect the tax from the purchaser of such property or the recipient of the service to the extent possible under the provisions of section 144.285, but the seller's inability to collect any part or all of the tax does not relieve the seller of the obligation to pay to the state the tax imposed by section 144.020; except that the collection of the tax imposed by sections 144.010 to 144.525 on motor vehicles and trailers shall be made as provided in sections 144.070 and 144.440.

5. [It shall be unlawful for] Any person [to] **may** advertise or hold out or state to the public or to any customer directly [or indirectly] that the tax or any part thereof imposed by sections 144.010 to 144.525, and required to be collected by the person, will be assumed or absorbed by the person, [or that it will not be separately stated and added to the selling price of the] **provided that the amount of tax assumed or absorbed shall be stated on any invoice or receipt for the property sold or service rendered**, or if added, that it or any part thereof will be refunded]. Any person

violating any of the provisions of this section shall be guilty of a misdemeanor. **This subsection shall not apply to any retailer prohibited from collecting and remitting sales tax under section 66.630.**"; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Koenig, **House Amendment No. 1** was adopted.

Representative Shumake offered **House Amendment No. 2.**

House Amendment No. 2

AMEND House Committee Substitute for Senate Bill No. 662, Page 1, in the title, Lines 2-3, by deleting the words, "notice of sales tax modifications" and inserting in lieu thereof the words, "sales tax"; and

Further amend said bill, Page 2, Section 144.021, Line 29, by inserting after all of said line the following:

"144.030. 1. There is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and from the computation of the tax levied, assessed or payable pursuant to sections 144.010 to 144.525 such retail sales as may be made in commerce between this state and any other state of the United States, or between this state and any foreign country, and any retail sale which the state of Missouri is prohibited from taxing pursuant to the Constitution or laws of the United States of America, and such retail sales of tangible personal property which the general assembly of the state of Missouri is prohibited from taxing or further taxing by the constitution of this state.

2. There are also specifically exempted from the provisions of the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.761 and from the computation of the tax levied, assessed or payable pursuant to the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.745:

(1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of such excise tax is refunded pursuant to section 142.824; or upon the sale at retail of fuel to be consumed in manufacturing or creating gas, power, steam, electrical current or in furnishing water to be sold ultimately at retail; or feed for livestock or poultry; or grain to be converted into foodstuffs which are to be sold ultimately in processed form at retail; or seed, limestone or fertilizer which is to be used for seeding, liming or fertilizing crops which when harvested will be sold at retail or will be fed to livestock or poultry to be sold ultimately in processed form at retail; economic poisons registered pursuant to the provisions of the Missouri pesticide registration law (sections 281.220 to 281.310) which are to be used in connection with the growth or production of crops, fruit trees or orchards applied before, during, or after planting, the crop of which when harvested will be sold at retail or will be converted into foodstuffs which are to be sold ultimately in processed form at retail;

(2) Materials, manufactured goods, machinery and parts which when used in manufacturing, processing, compounding, mining, producing or fabricating become a component part or ingredient of the new personal property resulting from such manufacturing, processing, compounding, mining, producing or fabricating and which new personal property is intended to be sold ultimately for final use or consumption; and materials, including without limitation, gases and manufactured goods, including without limitation slagging materials and firebrick, which are ultimately consumed in the manufacturing process by blending, reacting or interacting with or by becoming, in whole or in part, component parts or ingredients of steel products intended to be sold ultimately for final use or consumption;

(3) Materials, replacement parts and equipment purchased for use directly upon, and for the repair and maintenance or manufacture of, motor vehicles, watercraft, railroad rolling stock or aircraft engaged as common carriers of persons or property;

(4) Motor vehicles registered in excess of fifty-four thousand pounds, and the trailers pulled by such motor vehicles, that are actually used in the normal course of business to haul property on the public highways of the state, and that are capable of hauling loads commensurate with the motor vehicle's registered weight; and the materials, replacement parts, and equipment purchased for use directly upon, and for the repair and maintenance or manufacture of such vehicles. For purposes of this subdivision "motor vehicle" and "public highway" shall have the meaning as ascribed in section 390.020;

(5) Replacement machinery, equipment, and parts and the materials and supplies solely required for the installation or construction of such replacement machinery, equipment, and parts, used directly in manufacturing, mining,

fabricating or producing a product which is intended to be sold ultimately for final use or consumption; and machinery and equipment, and the materials and supplies required solely for the operation, installation or construction of such machinery and equipment, purchased and used to establish new, or to replace or expand existing, material recovery processing plants in this state. For the purposes of this subdivision, a "material recovery processing plant" means a facility that has as its primary purpose the recovery of materials into a useable product or a different form which is used in producing a new product and shall include a facility or equipment which are used exclusively for the collection of recovered materials for delivery to a material recovery processing plant but shall not include motor vehicles used on highways. For purposes of this section, the terms motor vehicle and highway shall have the same meaning pursuant to section 301.010. Material recovery is not the reuse of materials within a manufacturing process or the use of a product previously recovered. The material recovery processing plant shall qualify under the provisions of this section regardless of ownership of the material being recovered;

(6) Machinery and equipment, and parts and the materials and supplies solely required for the installation or construction of such machinery and equipment, purchased and used to establish new or to expand existing manufacturing, mining or fabricating plants in the state if such machinery and equipment is used directly in manufacturing, mining or fabricating a product which is intended to be sold ultimately for final use or consumption;

(7) Tangible personal property which is used exclusively in the manufacturing, processing, modification or assembling of products sold to the United States government or to any agency of the United States government;

(8) Animals or poultry used for breeding or feeding purposes, or captive wildlife;

(9) Newsprint, ink, computers, photosensitive paper and film, toner, printing plates and other machinery, equipment, replacement parts and supplies used in producing newspapers published for dissemination of news to the general public;

(10) The rentals of films, records or any type of sound or picture transcriptions for public commercial display;

(11) Pumping machinery and equipment used to propel products delivered by pipelines engaged as common carriers;

(12) Railroad rolling stock for use in transporting persons or property in interstate commerce and motor vehicles licensed for a gross weight of twenty-four thousand pounds or more or trailers used by common carriers, as defined in section 390.020, in the transportation of persons or property;

(13) Electrical energy used in the actual primary manufacture, processing, compounding, mining or producing of a product, or electrical energy used in the actual secondary processing or fabricating of the product, or a material recovery processing plant as defined in subdivision (5) of this subsection, in facilities owned or leased by the taxpayer, if the total cost of electrical energy so used exceeds ten percent of the total cost of production, either primary or secondary, exclusive of the cost of electrical energy so used or if the raw materials used in such processing contain at least twenty-five percent recovered materials as defined in section 260.200. There shall be a rebuttable presumption that the raw materials used in the primary manufacture of automobiles contain at least twenty-five percent recovered materials. For purposes of this subdivision, "processing" means any mode of treatment, act or series of acts performed upon materials to transform and reduce them to a different state or thing, including treatment necessary to maintain or preserve such processing by the producer at the production facility;

(14) Anodes which are used or consumed in manufacturing, processing, compounding, mining, producing or fabricating and which have a useful life of less than one year;

(15) Machinery, equipment, appliances and devices purchased or leased and used solely for the purpose of preventing, abating or monitoring air pollution, and materials and supplies solely required for the installation, construction or reconstruction of such machinery, equipment, appliances and devices;

(16) Machinery, equipment, appliances and devices purchased or leased and used solely for the purpose of preventing, abating or monitoring water pollution, and materials and supplies solely required for the installation, construction or reconstruction of such machinery, equipment, appliances and devices;

(17) Tangible personal property purchased by a rural water district;

(18) All amounts paid or charged for admission or participation or other fees paid by or other charges to individuals in or for any place of amusement, entertainment or recreation, games or athletic events, including museums, fairs, zoos and planetariums, owned or operated by a municipality or other political subdivision where all the proceeds derived therefrom benefit the municipality or other political subdivision and do not inure to any private person, firm, or corporation, provided, however, that a municipality or other political subdivision may enter into revenue-sharing agreements with private persons, firms, or corporations providing goods or services, including management services, in or for the place of amusement, entertainment or recreation, games or athletic events, and provided further that nothing in this subdivision shall exempt from tax any amounts retained by any private person, firm, or corporation under such revenue-sharing agreement;

(19) All sales of insulin and prosthetic or orthopedic devices as defined on January 1, 1980, by the federal Medicare program pursuant to Title XVIII of the Social Security Act of 1965, including the items specified in Section 1862(a)(12) of that act, and also specifically including hearing aids and hearing aid supplies and all sales of drugs which may be legally dispensed by a licensed pharmacist only upon a lawful prescription of a practitioner licensed to administer those items, including samples and materials used to manufacture samples which may be dispensed by a practitioner authorized to dispense such samples and all sales or rental of medical oxygen, home respiratory equipment and accessories, hospital beds and accessories and ambulatory aids, all sales or rental of manual and powered wheelchairs, stairway lifts, Braille writers, electronic Braille equipment and, if purchased or rented by or on behalf of a person with one or more physical or mental disabilities to enable them to function more independently, all sales or rental of scooters, reading machines, electronic print enlargers and magnifiers, electronic alternative and augmentative communication devices, and items used solely to modify motor vehicles to permit the use of such motor vehicles by individuals with disabilities or sales of over-the-counter or nonprescription drugs to individuals with disabilities, and drugs required by the Food and Drug Administration to meet the over-the-counter drug product labeling requirements in 21 CFR 201.66, or its successor, as prescribed by a health care practitioner licensed to prescribe;

(20) All sales made by or to religious and charitable organizations and institutions in their religious, charitable or educational functions and activities and all sales made by or to all elementary and secondary schools operated at public expense in their educational functions and activities;

(21) All sales of aircraft to common carriers for storage or for use in interstate commerce and all sales made by or to not-for-profit civic, social, service or fraternal organizations, including fraternal organizations which have been declared tax-exempt organizations pursuant to Section 501(c)(8) or (10) of the 1986 Internal Revenue Code, as amended, in their civic or charitable functions and activities and all sales made to eleemosynary and penal institutions and industries of the state, **all sales made at a canteen or commissary established under sections 217.195 and 221.102**, and all sales made to any private not-for-profit institution of higher education not otherwise excluded pursuant to subdivision (20) of this subsection or any institution of higher education supported by public funds, and all sales made to a state relief agency in the exercise of relief functions and activities;

(22) All ticket sales made by benevolent, scientific and educational associations which are formed to foster, encourage, and promote progress and improvement in the science of agriculture and in the raising and breeding of animals, and by nonprofit summer theater organizations if such organizations are exempt from federal tax pursuant to the provisions of the Internal Revenue Code and all admission charges and entry fees to the Missouri state fair or any fair conducted by a county agricultural and mechanical society organized and operated pursuant to sections 262.290 to 262.530;

(23) All sales made to any private not-for-profit elementary or secondary school, all sales of feed additives, medications or vaccines administered to livestock or poultry in the production of food or fiber, all sales of pesticides used in the production of crops, livestock or poultry for food or fiber, all sales of bedding used in the production of livestock or poultry for food or fiber, all sales of propane or natural gas, electricity or diesel fuel used exclusively for drying agricultural crops, natural gas used in the primary manufacture or processing of fuel ethanol as defined in section 142.028, natural gas, propane, and electricity used by an eligible new generation cooperative or an eligible new generation processing entity as defined in section 348.432, and all sales of farm machinery and equipment, other than airplanes, motor vehicles and trailers, and any freight charges on any exempt item. As used in this subdivision, the term "feed additives" means tangible personal property which, when mixed with feed for livestock or poultry, is to be used in the feeding of livestock or poultry. As used in this subdivision, the term "pesticides" includes adjuvants such as crop oils, surfactants, wetting agents and other assorted pesticide carriers used to improve or enhance the effect of a pesticide and the foam used to mark the application of pesticides and herbicides for the production of crops, livestock or poultry. As used in this subdivision, the term "farm machinery and equipment" means new or used farm tractors and such other new or used farm machinery and equipment and repair or replacement parts thereon and any accessories for and upgrades to such farm machinery and equipment, rotary mowers used exclusively for agricultural purposes, and supplies and lubricants used exclusively, solely, and directly for producing crops, raising and feeding livestock, fish, poultry, pheasants, chukar, quail, or for producing milk for ultimate sale at retail, including field drain tile, and one-half of each purchaser's purchase of diesel fuel therefor which is:

(a) Used exclusively for agricultural purposes;

(b) Used on land owned or leased for the purpose of producing farm products; and

(c) Used directly in producing farm products to be sold ultimately in processed form or otherwise at retail or in producing farm products to be fed to livestock or poultry to be sold ultimately in processed form at retail;

(24) Except as otherwise provided in section 144.032, all sales of metered water service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil for domestic use and in any city not within a county, all sales of metered or unmetered water service for domestic use:

(a) "Domestic use" means that portion of metered water service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil, and in any city not within a county, metered or unmetered water service, which an individual occupant of a residential premises uses for nonbusiness, noncommercial or nonindustrial purposes. Utility service through a single or master meter for residential apartments or condominiums, including service for common areas and facilities and vacant units, shall be deemed to be for domestic use. Each seller shall establish and maintain a system whereby individual purchases are determined as exempt or nonexempt;

(b) Regulated utility sellers shall determine whether individual purchases are exempt or nonexempt based upon the seller's utility service rate classifications as contained in tariffs on file with and approved by the Missouri public service commission. Sales and purchases made pursuant to the rate classification "residential" and sales to and purchases made by or on behalf of the occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, shall be considered as sales made for domestic use and such sales shall be exempt from sales tax. Sellers shall charge sales tax upon the entire amount of purchases classified as nondomestic use. The seller's utility service rate classification and the provision of service thereunder shall be conclusive as to whether or not the utility must charge sales tax;

(c) Each person making domestic use purchases of services or property and who uses any portion of the services or property so purchased for a nondomestic use shall, by the fifteenth day of the fourth month following the year of purchase, and without assessment, notice or demand, file a return and pay sales tax on that portion of nondomestic purchases. Each person making nondomestic purchases of services or property and who uses any portion of the services or property so purchased for domestic use, and each person making domestic purchases on behalf of occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, under a nonresidential utility service rate classification may, between the first day of the first month and the fifteenth day of the fourth month following the year of purchase, apply for credit or refund to the director of revenue and the director shall give credit or make refund for taxes paid on the domestic use portion of the purchase. The person making such purchases on behalf of occupants of residential apartments or condominiums shall have standing to apply to the director of revenue for such credit or refund;

(25) All sales of handicraft items made by the seller or the seller's spouse if the seller or the seller's spouse is at least sixty-five years of age, and if the total gross proceeds from such sales do not constitute a majority of the annual gross income of the seller;

(26) Excise taxes, collected on sales at retail, imposed by Sections 4041, 4061, 4071, 4081, 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director of revenue shall promulgate rules pursuant to chapter 536 to eliminate all state and local sales taxes on such excise taxes;

(27) Sales of fuel consumed or used in the operation of ships, barges, or waterborne vessels which are used primarily in or for the transportation of property or cargo, or the conveyance of persons for hire, on navigable rivers bordering on or located in part in this state, if such fuel is delivered by the seller to the purchaser's barge, ship, or waterborne vessel while it is afloat upon such river;

(28) All sales made to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections 238.010 to 238.100 in the exercise of the functions and activities of such agency as provided pursuant to the compact;

(29) Computers, computer software and computer security systems purchased for use by architectural or engineering firms headquartered in this state. For the purposes of this subdivision, "headquartered in this state" means the office for the administrative management of at least four integrated facilities operated by the taxpayer is located in the state of Missouri;

(30) All livestock sales when either the seller is engaged in the growing, producing or feeding of such livestock, or the seller is engaged in the business of buying and selling, bartering or leasing of such livestock;

(31) All sales of barges which are to be used primarily in the transportation of property or cargo on interstate waterways;

(32) Electrical energy or gas, whether natural, artificial or propane, water, or other utilities which are ultimately consumed in connection with the manufacturing of cellular glass products or in any material recovery processing plant as defined in subdivision (5) of this subsection;

(33) Notwithstanding other provisions of law to the contrary, all sales of pesticides or herbicides used in the production of crops, aquaculture, livestock or poultry;

(34) Tangible personal property and utilities purchased for use or consumption directly or exclusively in the research and development of agricultural/biotechnology and plant genomics products and prescription pharmaceuticals consumed by humans or animals;

(35) All sales of grain bins for storage of grain for resale;

(36) All sales of feed which are developed for and used in the feeding of pets owned by a commercial breeder when such sales are made to a commercial breeder, as defined in section 273.325, and licensed pursuant to sections 273.325 to 273.357;

(37) All purchases by a contractor on behalf of an entity located in another state, provided that the entity is authorized to issue a certificate of exemption for purchases to a contractor under the provisions of that state's laws. For purposes of this subdivision, the term "certificate of exemption" shall mean any document evidencing that the entity is exempt from sales and use taxes on purchases pursuant to the laws of the state in which the entity is located. Any contractor making purchases on behalf of such entity shall maintain a copy of the entity's exemption certificate as evidence of the exemption. If the exemption certificate issued by the exempt entity to the contractor is later determined by the director of revenue to be invalid for any reason and the contractor has accepted the certificate in good faith, neither the contractor or the exempt entity shall be liable for the payment of any taxes, interest and penalty due as the result of use of the invalid exemption certificate. Materials shall be exempt from all state and local sales and use taxes when purchased by a contractor for the purpose of fabricating tangible personal property which is used in fulfilling a contract for the purpose of constructing, repairing or remodeling facilities for the following:

(a) An exempt entity located in this state, if the entity is one of those entities able to issue project exemption certificates in accordance with the provisions of section 144.062; or

(b) An exempt entity located outside the state if the exempt entity is authorized to issue an exemption certificate to contractors in accordance with the provisions of that state's law and the applicable provisions of this section;

(38) All sales or other transfers of tangible personal property to a lessor who leases the property under a lease of one year or longer executed or in effect at the time of the sale or other transfer to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections 238.010 to 238.100;

(39) Sales of tickets to any collegiate athletic championship event that is held in a facility owned or operated by a governmental authority or commission, a quasi-governmental agency, a state university or college or by the state or any political subdivision thereof, including a municipality, and that is played on a neutral site and may reasonably be played at a site located outside the state of Missouri. For purposes of this subdivision, "neutral site" means any site that is not located on the campus of a conference member institution participating in the event;

(40) All purchases by a sports complex authority created under section 64.920, and all sales of utilities by such authority at the authority's cost that are consumed in connection with the operation of a sports complex leased to a professional sports team;

(41) Beginning January 1, 2009, but not after January 1, 2015, materials, replacement parts, and equipment purchased for use directly upon, and for the modification, replacement, repair, and maintenance of aircraft, aircraft power plants, and aircraft accessories;

(42) Sales of sporting clays, wobble, skeet, and trap targets to any shooting range or similar places of business for use in the normal course of business and money received by a shooting range or similar places of business from patrons and held by a shooting range or similar place of business for redistribution to patrons at the conclusion of a shooting event.

3. Any ruling, agreement, or contract, whether written or oral, express or implied, between a person and this state's executive branch, or any other state agency or department, stating, agreeing, or ruling that such person is not required to collect sales and use tax in this state despite the presence of a warehouse, distribution center, or fulfillment center in this state that is owned or operated by the person or an affiliated person shall be null and void unless it is specifically approved by a majority vote of each of the houses of the general assembly. For purposes of this subsection, an "affiliated person" means any person that is a member of the same controlled group of corporations as defined in Section 1563(a) of the Internal Revenue Code of 1986, as amended, as the vendor or any other entity that, notwithstanding its form of organization, bears the same ownership relationship to the vendor as a corporation that is a member of the same controlled group of corporations as defined in Section 1563(a) of the Internal Revenue Code, as amended."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Representative Roorda raised points of order that **House Amendment No. 2** amends previously amended material and is not germane to the bill.

The Chair ruled the first point of order well taken and the second point of order not well taken.

Representative Jones (50) offered **House Amendment No. 3**.

House Amendment No. 3

AMEND House Committee Substitute for Senate Bill No. 662, Page 1, in the title, Lines 2 and 3, by deleting the words, "notice of sales tax modifications" and inserting in lieu thereof the word, "taxation"; and

Further amend said bill, Page 1, Section A, Line 2, by inserting immediately after said line the following:

"143.451. 1. Missouri taxable income of a corporation shall include all income derived from sources within this state.

2. A corporation described in subdivision (1) of subsection 1 of section 143.441 shall include in its Missouri taxable income all income from sources within this state, including that from the transaction of business in this state and that from the transaction of business partly done in this state and partly done in another state or states. However:

(1) Where income results from a transaction partially in this state and partially in another state or states, and income and deductions of the portion in the state cannot be segregated, then such portions of income and deductions shall be allocated in this state and the other state or states as will distribute to this state a portion based upon the portion of the transaction in this state and the portion in such other state or states.

(2) The taxpayer may elect to compute the portion of income from all sources in this state in the following manner, or the manner set forth in subdivision (3) of this subsection:

(a) The income from all sources shall be determined as provided, excluding therefrom the figures for the operation of any bridge connecting this state with another state.

(b) The amount of sales which are transactions wholly in this state shall be added to one-half of the amount of sales which are transactions partly within this state and partly without this state, and the amount thus obtained shall be divided by the total sales or in cases where sales do not express the volume of business, the amount of business transacted wholly in this state shall be added to one-half of the amount of business transacted partly in this state and partly outside this state and the amount thus obtained shall be divided by the total amount of business transacted, and the net income shall be multiplied by the fraction thus obtained, to determine the proportion of income to be used to arrive at the amount of Missouri taxable income. The investment or reinvestment of its own funds, or sale of any such investment or reinvestment, shall not be considered as sales or other business transacted for the determination of said fraction.

(c) For the purposes of this subdivision, a transaction involving the sale of tangible property is:

a. "Wholly in this state" if both the seller's shipping point and the purchaser's destination point are in this state;

b. "Partly within this state and partly without this state" if the seller's shipping point is in this state and the purchaser's destination point is outside this state, or the seller's shipping point is outside this state and the purchaser's destination point is in this state;

c. Not "wholly in this state" or not "partly within this state and partly without this state" only if both the seller's shipping point and the purchaser's destination point are outside this state.

(d) For purposes of this subdivision:

a. The purchaser's destination point shall be determined without regard to the FOB point or other conditions of the sale; and

b. The seller's shipping point is determined without regard to the location of the seller's principle office or place of business.

(3) The taxpayer may elect to compute the portion of income from all sources in this state in the following manner:

(a) The income from all sources shall be determined as provided, excluding therefrom the figures for the operation of any bridge connecting this state with another state;

(b) The amount of sales which are transactions in this state shall be divided by the total sales, and the net income shall be multiplied by the fraction thus obtained, to determine the proportion of income to be used to arrive at the amount of Missouri taxable income. The investment or reinvestment of its own funds, or sale of any such investment or reinvestment, shall not be considered as sales or other business transacted for the determination of said fraction;

(c) For the purposes of this subdivision, a transaction involving the sale of tangible property is:

a. "In this state" if the purchaser's destination point is in this state;

b. Not "in this state" if the purchaser's destination point is outside this state;

(d) For purposes of this subdivision, the purchaser's destination point shall be determined without regard to the FOB point or other conditions of the sale and shall not be in this state if the purchaser received the tangible personal property from the seller in this state for delivery to the purchaser's location outside this state;

(e) For the purposes of this subdivision, a transaction involving the sale other than the sale of tangible property is "in this state" if the taxpayer's market for the sales is in this state. The taxpayer's market for sales is in this state:

a. In the case of sale, rental, lease, or license of real property, if and to the extent the property is located in this state;

b. In the case of rental, lease, or license of tangible personal property, if and to the extent the property is located in this state;

c. In the case of sale of a service, if and to the extent the benefit of the service is delivered to a purchaser location in this state; and

d. In the case of intangible property:

(i) That is rented, leased, or licensed, if and to the extent the property is used in this state by the rentee, lessee, or licensee, provided that intangible property utilized in marketing a good or service to a consumer is "used in this state" if that good or service is purchased by a consumer who is in this state. Franchise fees or royalties received for the rent, lease, license, or use of a trade name, trademark, service mark, or franchise system or provides a right to conduct business activity in a specific geographic area are "used in this state" to the extent the franchise location is in this state; and

(ii) That is sold, if and to the extent the property is used in this state, provided that:

i. A contract right, government license, or similar intangible property that authorizes the holder to conduct a business activity in a specific geographic area is "used in this state" if the geographic area includes all or part of this state;

ii. Receipts from intangible property sales that are contingent on the productivity, use, or disposition of the intangible property shall be treated as receipts from the rental, lease, or licensing of such intangible property under item (I) of this subparagraph; and

iii. All other receipts from a sales of intangible property shall be excluded from the numerator and denominator of the sales factor;

(f) If the state or states of assignment under paragraph (e) of this subdivision cannot be determined, the state or states of assignment shall be reasonably approximated;

(g) If the state of assignment cannot be determined under paragraph (e) of this subdivision or reasonably approximated under paragraph (f) of this subdivision, such sales shall be excluded from the denominator of the sales factor;

(h) The director may prescribe such rules and regulations as necessary or appropriate to carry out the purposes of this section.

(4) For purposes of this subsection, the following words shall, unless the context otherwise requires, have the following meaning:

(a) "Administration services" include, but are not limited to, clerical, fund or shareholder accounting, participant record keeping, transfer agency, bookkeeping, data processing, custodial, internal auditing, legal and tax services performed for an investment company;

(b) "Affiliate", the meaning as set forth in 15 U.S.C. Section 80a-2(a)(3)(C), as may be amended from time to time;

(c) "Distribution services" include, but are not limited to, the services of advertising, servicing, marketing, underwriting or selling shares of an investment company, but, in the case of advertising, servicing or marketing shares, only where such service is performed by a person who is, or in the case of a closed end company, was, either engaged in the services of underwriting or selling investment company shares or affiliated with a person that is engaged in the service of underwriting or selling investment company shares. In the case of an open end company, such service of

underwriting or selling shares must be performed pursuant to a contract entered into pursuant to 15 U.S.C. Section 80a-15(b), as from time to time amended;

(d) "Investment company", any person registered under the federal Investment Company Act of 1940, as amended from time to time, (the act) or a company which would be required to register as an investment company under the act except that such person is exempt to such registration pursuant to Section 80a-3(c)(1) of the act;

(e) "Investment funds service corporation" includes any corporation or S corporation doing business in the state which derives more than fifty percent of its gross income in the ordinary course of business from the provision directly or indirectly of management, distribution or administration services to or on behalf of an investment company or from trustees, sponsors and participants of employee benefit plans which have accounts in an investment company. An investment funds service corporation shall include any corporation or S corporation providing management services as an investment advisory firm registered under Section 203 of the Investment Advisors Act of 1940, as amended from time to time, regardless of the percentage of gross revenues consisting of fees from management services provided to or on behalf of an investment company;

(f) "Management services" include but are not limited to, the rendering of investment advice directly or indirectly to an investment company making determinations as to when sales and purchases of securities are to be made on behalf of the investment company, or the selling or purchasing of securities constituting assets of an investment company, and related activities, but only where such activity or activities are performed:

a. Pursuant to a contract with the investment company entered into pursuant to 15 U.S.C. Section 80a-15(a), as from time to time amended;

b. For a person that has entered into such contract with the investment company; or

c. For a person that is affiliated with a person that has entered into such contract with an investment company;

(g) "Qualifying sales", gross income derived from the provision directly or indirectly of management, distribution or administration services to or on behalf of an investment company or from trustees, sponsors and participants of employee benefit plans which have accounts in an investment company. For purposes of this section, "gross income" is defined as that amount of income earned from qualifying sources without deduction of expenses related to the generation of such income;

(h) "Residence", presumptively the fund shareholder's mailing address on the records of the investment company. If, however, the investment company or the investment funds service corporation has actual knowledge that the fund shareholder's primary residence or principal place of business is different than the fund shareholder's mailing address such presumption shall not control. To the extent an investment funds service corporation does not have access to the records of the investment company, the investment funds service corporation may employ reasonable methods to determine the investment company fund shareholder's residence.

(5) Notwithstanding other provisions of law to the contrary, qualifying sales of an investment funds service corporation, or S corporation, shall be considered wholly in this state only to the extent that the fund shareholders of the investment companies, to which the investment funds service corporation, or S corporation, provide services, are resided in this state. Wholly in this state qualifying sales of an investment funds service corporation, or S corporation, shall be determined as follows:

(a) By multiplying the investment funds service corporation's total dollar amount of qualifying sales from services provided to each investment company by a fraction, the numerator of which shall be the average of the number of shares owned by the investment company's fund shareholders resided in this state at the beginning of and at the end of the investment company's taxable year that ends with or within the investment funds service corporation's taxable year, and the denominator of which shall be the average of the number of shares owned by the investment company's fund shareholders everywhere at the beginning of and at the end of the investment company's taxable year that ends with or within the investment funds service corporation's taxable year;

(b) A separate computation shall be made to determine the wholly in this state qualifying sales from each investment company. The qualifying sales for each investment company shall be multiplied by the respective percentage of each fund, as calculated pursuant to paragraph (a) of this subdivision. The product of this equation shall result in the wholly in this state qualifying sales. The qualifying sales for each investment company which are not wholly in this state will be considered wholly without this state;

(c) To the extent an investment funds service corporation has sales which are not qualifying sales, those nonqualified sales shall be apportioned to this state based on the methodology utilized by the investment funds service corporation without regard to this subdivision.

3. Any corporation described in subdivision (1) of subsection 1 of section 143.441 organized in this state or granted a permit to operate in this state for the transportation or care of passengers shall report its gross earnings within the state on intrastate business and shall also report its gross earnings on all interstate business done in this state which

report shall be subject to inquiry for the purpose of determining the amount of income to be included in Missouri taxable income. The previous sentence shall not apply to a railroad.

4. A corporation described in subdivision (2) of subsection 1 of section 143.441 shall include in its Missouri taxable income all income arising from all sources in this state and all income from each transportation service wholly within this state, from each service where the only lines of such corporation used are those in this state, and such proportion of revenue from each service where the facilities of such corporation in this state and in another state or states are used, as the mileage used over the lines of such corporation in the state shall bear to the total mileage used over the lines of such corporation. The taxpayer may elect to compute the portion of income from all sources within this state in the following manner:

- (1) The income from all sources shall be determined as provided;
- (2) The amount of investment of such corporation on December thirty-first of each year in this state in fixed transportation facilities, real estate and improvements, plus the value on December thirty-first of each year of any fixed transportation facilities, real estate and improvements in this state leased from any other railroad shall be divided by the sum of the total amount of investment of such corporation on December thirty-first of each year in fixed transportation facilities, real estate and improvements, plus the value on December thirty-first of each year, of any fixed transportation facilities, real estate and improvements leased from any other railroad. Where any fixed transportation facilities, real estate or improvements are leased by more than one railroad, such portion of the value shall be used by each railroad as the rental paid by each shall bear to the rental paid by all lessees. The income shall be multiplied by the fraction thus obtained to determine the proportion to be used to arrive at the amount of Missouri taxable income.

5. A corporation described in subdivision (3) of subsection 1 of section 143.441 shall include in its Missouri taxable income one-half of the net income from the operation of a bridge between this and another state. If any such bridge is owned or operated by a railroad corporation or corporations, or by a corporation owning a railroad corporation using such bridge, then the figures for operation of such bridge may be included in the return of such railroad or railroads; or if such bridge is owned or operated by any other corporation which may now or hereafter be required to file an income tax return, one-half of the income or loss to such corporation from such bridge may be included in such return by adding or subtracting same to or from another net income or loss shown by the return.

6. A corporation described in subdivision (4) of subsection 1 of section 143.441 shall include in its Missouri taxable income all income arising from all sources within this state. Income shall include revenue from each telephonic or telegraphic service rendered wholly within this state; from each service rendered for which the only facilities of such corporation used are those in this state; and from each service rendered over the facilities of such corporation in this state and in other state or states, such proportion of such revenue as the mileage involved in this state shall bear to the total mileage involved over the lines of said company in all states. The taxpayer may elect to compute the portion of income from all sources within this state in the following manner:

- (1) The income from all sources shall be determined as provided;
- (2) The amount of investment of such corporation on December thirty-first of each year in this state in telephonic or telegraphic facilities, real estate and improvements thereon, shall be divided by the amount of the total investment of such corporation on December thirty-first of each year in telephonic or telegraphic facilities, real estate and improvements. The income of the taxpayer shall be multiplied by fraction thus obtained to determine the proportion to be used to arrive at the amount of Missouri taxable income.

7. From the income determined in subsections 2, 3, 4, 5 and 6 of this section to be from all sources within this state shall be deducted such of the deductions for expenses in determining Missouri taxable income as were incurred in this state to produce such income and all losses actually sustained in this state in the business of the corporation.

8. If a corporation derives only part of its income from sources within Missouri, its Missouri taxable income shall only reflect the effect of the following listed deductions to the extent applicable to Missouri. The deductions are: (a) its deduction for federal income taxes pursuant to section 143.171, and (b) the effect on Missouri taxable income of the deduction for net operating loss allowed by Section 172 of the Internal Revenue Code. The extent applicable to Missouri shall be determined by multiplying the amount that would otherwise affect Missouri taxable income by the ratio for the year of the Missouri taxable income of the corporation for the year divided by the Missouri taxable income for the year as though the corporation had derived all of its income from sources within Missouri. For the purpose of the preceding sentence, Missouri taxable income shall not reflect the listed deductions.

9. Any investment funds service corporation organized as a corporation or S corporation which has any shareholders resided in this state shall be subject to Missouri income tax as provided in this chapter."; and

Further amend said bill, Page 2, Section 144.021, Line 29, by inserting after all of said line the following:

"144.030. 1. There is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and from the computation of the tax levied, assessed or payable pursuant to sections 144.010 to 144.525 such retail sales as may be made in commerce between this state and any other state of the United States, or between this state and any foreign country, and any retail sale which the state of Missouri is prohibited from taxing pursuant to the Constitution or laws of the United States of America, and such retail sales of tangible personal property which the general assembly of the state of Missouri is prohibited from taxing or further taxing by the constitution of this state.

2. There are also specifically exempted from the provisions of the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.761 and from the computation of the tax levied, assessed or payable pursuant to the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.745:

(1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of such excise tax is refunded pursuant to section 142.824; or upon the sale at retail of fuel to be consumed in manufacturing or creating gas, power, steam, electrical current or in furnishing water to be sold ultimately at retail; or feed for livestock or poultry; or grain to be converted into foodstuffs which are to be sold ultimately in processed form at retail; or seed, limestone or fertilizer which is to be used for seeding, liming or fertilizing crops which when harvested will be sold at retail or will be fed to livestock or poultry to be sold ultimately in processed form at retail; economic poisons registered pursuant to the provisions of the Missouri pesticide registration law (sections 281.220 to 281.310) which are to be used in connection with the growth or production of crops, fruit trees or orchards applied before, during, or after planting, the crop of which when harvested will be sold at retail or will be converted into foodstuffs which are to be sold ultimately in processed form at retail;

(2) Materials, manufactured goods, machinery and parts which when used in manufacturing, processing, compounding, mining, producing or fabricating become a component part or ingredient of the new personal property resulting from such manufacturing, processing, compounding, mining, producing or fabricating and which new personal property is intended to be sold ultimately for final use or consumption; and materials, including without limitation, gases and manufactured goods, including without limitation slagging materials and firebrick, which are ultimately consumed in the manufacturing process by blending, reacting or interacting with or by becoming, in whole or in part, component parts or ingredients of steel products intended to be sold ultimately for final use or consumption;

(3) Materials, replacement parts and equipment purchased for use directly upon, and for the repair and maintenance or manufacture of, motor vehicles, watercraft, railroad rolling stock or aircraft engaged as common carriers of persons or property;

(4) Motor vehicles registered in excess of fifty-four thousand pounds, and the trailers pulled by such motor vehicles, that are actually used in the normal course of business to haul property on the public highways of the state, and that are capable of hauling loads commensurate with the motor vehicle's registered weight; and the materials, replacement parts, and equipment purchased for use directly upon, and for the repair and maintenance or manufacture of such vehicles. For purposes of this subdivision "motor vehicle" and "public highway" shall have the meaning as ascribed in section 390.020;

(5) Replacement machinery, equipment, and parts and the materials and supplies solely required for the installation or construction of such replacement machinery, equipment, and parts, used directly in manufacturing, mining, fabricating or producing a product which is intended to be sold ultimately for final use or consumption; and machinery and equipment, and the materials and supplies required solely for the operation, installation or construction of such machinery and equipment, purchased and used to establish new, or to replace or expand existing, material recovery processing plants in this state. For the purposes of this subdivision, a "material recovery processing plant" means a facility that has as its primary purpose the recovery of materials into a useable product or a different form which is used in producing a new product and shall include a facility or equipment which are used exclusively for the collection of recovered materials for delivery to a material recovery processing plant but shall not include motor vehicles used on highways. For purposes of this section, the terms motor vehicle and highway shall have the same meaning pursuant to section 301.010. Material recovery is not the reuse of materials within a manufacturing process or the use of a product previously recovered. The material recovery processing plant shall qualify under the provisions of this section regardless of ownership of the material being recovered;

(6) Machinery and equipment, and parts and the materials and supplies solely required for the installation or construction of such machinery and equipment, purchased and used to establish new or to expand existing manufacturing, mining or fabricating plants in the state if such machinery and equipment is used directly in manufacturing, mining or fabricating a product which is intended to be sold ultimately for final use or consumption;

- (7) Tangible personal property which is used exclusively in the manufacturing, processing, modification or assembling of products sold to the United States government or to any agency of the United States government;
- (8) Animals or poultry used for breeding or feeding purposes, or captive wildlife;
- (9) Newsprint, ink, computers, photosensitive paper and film, toner, printing plates and other machinery, equipment, replacement parts and supplies used in producing newspapers published for dissemination of news to the general public;
- (10) The rentals of films, records or any type of sound or picture transcriptions for public commercial display;
- (11) Pumping machinery and equipment used to propel products delivered by pipelines engaged as common carriers;
- (12) Railroad rolling stock for use in transporting persons or property in interstate commerce and motor vehicles licensed for a gross weight of twenty-four thousand pounds or more or trailers used by common carriers, as defined in section 390.020, in the transportation of persons or property;
- (13) Electrical energy used in the actual primary manufacture, processing, compounding, mining or producing of a product, or electrical energy used in the actual secondary processing or fabricating of the product, or a material recovery processing plant as defined in subdivision (5) of this subsection, in facilities owned or leased by the taxpayer, if the total cost of electrical energy so used exceeds ten percent of the total cost of production, either primary or secondary, exclusive of the cost of electrical energy so used or if the raw materials used in such processing contain at least twenty-five percent recovered materials as defined in section 260.200. There shall be a rebuttable presumption that the raw materials used in the primary manufacture of automobiles contain at least twenty-five percent recovered materials. For purposes of this subdivision, "processing" means any mode of treatment, act or series of acts performed upon materials to transform and reduce them to a different state or thing, including treatment necessary to maintain or preserve such processing by the producer at the production facility;
- (14) Anodes which are used or consumed in manufacturing, processing, compounding, mining, producing or fabricating and which have a useful life of less than one year;
- (15) Machinery, equipment, appliances and devices purchased or leased and used solely for the purpose of preventing, abating or monitoring air pollution, and materials and supplies solely required for the installation, construction or reconstruction of such machinery, equipment, appliances and devices;
- (16) Machinery, equipment, appliances and devices purchased or leased and used solely for the purpose of preventing, abating or monitoring water pollution, and materials and supplies solely required for the installation, construction or reconstruction of such machinery, equipment, appliances and devices;
- (17) Tangible personal property purchased by a rural water district;
- (18) All amounts paid or charged for admission or participation or other fees paid by or other charges to individuals in or for any place of amusement, entertainment or recreation, games or athletic events, including museums, fairs, zoos and planetariums, owned or operated by a municipality or other political subdivision where all the proceeds derived therefrom benefit the municipality or other political subdivision and do not inure to any private person, firm, or corporation, provided, however, that a municipality or other political subdivision may enter into revenue-sharing agreements with private persons, firms, or corporations providing goods or services, including management services, in or for the place of amusement, entertainment or recreation, games or athletic events, and provided further that nothing in this subdivision shall exempt from tax any amounts retained by any private person, firm, or corporation under such revenue-sharing agreement;
- (19) All sales of insulin and prosthetic or orthopedic devices as defined on January 1, 1980, by the federal Medicare program pursuant to Title XVIII of the Social Security Act of 1965, including the items specified in Section 1862(a)(12) of that act, and also specifically including hearing aids and hearing aid supplies and all sales of drugs which may be legally dispensed by a licensed pharmacist only upon a lawful prescription of a practitioner licensed to administer those items, including samples and materials used to manufacture samples which may be dispensed by a practitioner authorized to dispense such samples and all sales or rental of medical oxygen, home respiratory equipment and accessories, hospital beds and accessories and ambulatory aids, all sales or rental of manual and powered wheelchairs, stairway lifts, Braille writers, electronic Braille equipment and, if purchased or rented by or on behalf of a person with one or more physical or mental disabilities to enable them to function more independently, all sales or rental of scooters, reading machines, electronic print enlargers and magnifiers, electronic alternative and augmentative communication devices, and items used solely to modify motor vehicles to permit the use of such motor vehicles by individuals with disabilities or sales of over-the-counter or nonprescription drugs to individuals with disabilities, and drugs required by the Food and Drug Administration to meet the over-the-counter drug product labeling requirements in 21 CFR 201.66, or its successor, as prescribed by a health care practitioner licensed to prescribe;

(20) All sales made by or to religious and charitable organizations and institutions in their religious, charitable or educational functions and activities and all sales made by or to elementary and secondary schools operated at public expense in their educational functions and activities;

(21) All sales of aircraft to common carriers for storage or for use in interstate commerce and all sales made by or to not-for-profit civic, social, service or fraternal organizations, including fraternal organizations which have been declared tax-exempt organizations pursuant to Section 501(c)(8) or (10) of the 1986 Internal Revenue Code, as amended, in their civic or charitable functions and activities and all sales made to eleemosynary and penal institutions and industries of the state, and all sales made to any private not-for-profit institution of higher education not otherwise excluded pursuant to subdivision (20) of this subsection or any institution of higher education supported by public funds, and all sales made to a state relief agency in the exercise of relief functions and activities;

(22) All ticket sales made by benevolent, scientific and educational associations which are formed to foster, encourage, and promote progress and improvement in the science of agriculture and in the raising and breeding of animals, and by nonprofit summer theater organizations if such organizations are exempt from federal tax pursuant to the provisions of the Internal Revenue Code and all admission charges and entry fees to the Missouri state fair or any fair conducted by a county agricultural and mechanical society organized and operated pursuant to sections 262.290 to 262.530;

(23) All sales made to any private not-for-profit elementary or secondary school, all sales of feed additives, medications or vaccines administered to livestock or poultry in the production of food or fiber, all sales of pesticides used in the production of crops, livestock or poultry for food or fiber, all sales of bedding used in the production of livestock or poultry for food or fiber, all sales of propane or natural gas, electricity or diesel fuel used exclusively for drying agricultural crops, natural gas used in the primary manufacture or processing of fuel ethanol as defined in section 142.028, natural gas, propane, and electricity used by an eligible new generation cooperative or an eligible new generation processing entity as defined in section 348.432, and all sales of farm machinery and equipment, other than airplanes, motor vehicles and trailers, and any freight charges on any exempt item. As used in this subdivision, the term "feed additives" means tangible personal property which, when mixed with feed for livestock or poultry, is to be used in the feeding of livestock or poultry. As used in this subdivision, the term "pesticides" includes adjuvants such as crop oils, surfactants, wetting agents and other assorted pesticide carriers used to improve or enhance the effect of a pesticide and the foam used to mark the application of pesticides and herbicides for the production of crops, livestock or poultry. As used in this subdivision, the term "farm machinery and equipment" means new or used farm tractors and such other new or used farm machinery and equipment and repair or replacement parts thereon and any accessories for and upgrades to such farm machinery and equipment, rotary mowers used exclusively for agricultural purposes, and supplies and lubricants used exclusively, solely, and directly for producing crops, raising and feeding livestock, fish, poultry, pheasants, chukar, quail, or for producing milk for ultimate sale at retail, including field drain tile, and one-half of each purchaser's purchase of diesel fuel therefor which is:

(a) Used exclusively for agricultural purposes;

(b) Used on land owned or leased for the purpose of producing farm products; and

(c) Used directly in producing farm products to be sold ultimately in processed form or otherwise at retail or in producing farm products to be fed to livestock or poultry to be sold ultimately in processed form at retail;

(24) Except as otherwise provided in section 144.032, all sales of metered water service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil for domestic use and in any city not within a county, all sales of metered or unmetered water service for domestic use:

(a) "Domestic use" means that portion of metered water service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil, and in any city not within a county, metered or unmetered water service, which an individual occupant of a residential premises uses for nonbusiness, noncommercial or nonindustrial purposes. Utility service through a single or master meter for residential apartments or condominiums, including service for common areas and facilities and vacant units, shall be deemed to be for domestic use. Each seller shall establish and maintain a system whereby individual purchases are determined as exempt or nonexempt;

(b) Regulated utility sellers shall determine whether individual purchases are exempt or nonexempt based upon the seller's utility service rate classifications as contained in tariffs on file with and approved by the Missouri public service commission. Sales and purchases made pursuant to the rate classification "residential" and sales to and purchases made by or on behalf of the occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, shall be considered as sales made for domestic use and such sales shall be exempt from sales tax. Sellers shall charge sales tax upon the entire amount of purchases classified as nondomestic use. The seller's utility service rate classification and the provision of service thereunder shall be conclusive as to whether or not the utility must charge sales tax;

(c) Each person making domestic use purchases of services or property and who uses any portion of the services or property so purchased for a nondomestic use shall, by the fifteenth day of the fourth month following the year of purchase, and without assessment, notice or demand, file a return and pay sales tax on that portion of nondomestic purchases. Each person making nondomestic purchases of services or property and who uses any portion of the services or property so purchased for domestic use, and each person making domestic purchases on behalf of occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, under a nonresidential utility service rate classification may, between the first day of the first month and the fifteenth day of the fourth month following the year of purchase, apply for credit or refund to the director of revenue and the director shall give credit or make refund for taxes paid on the domestic use portion of the purchase. The person making such purchases on behalf of occupants of residential apartments or condominiums shall have standing to apply to the director of revenue for such credit or refund;

(25) All sales of handicraft items made by the seller or the seller's spouse if the seller or the seller's spouse is at least sixty-five years of age, and if the total gross proceeds from such sales do not constitute a majority of the annual gross income of the seller;

(26) Excise taxes, collected on sales at retail, imposed by Sections 4041, 4061, 4071, 4081, 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director of revenue shall promulgate rules pursuant to chapter 536 to eliminate all state and local sales taxes on such excise taxes;

(27) Sales of fuel consumed or used in the operation of ships, barges, or waterborne vessels which are used primarily in or for the transportation of property or cargo, or the conveyance of persons for hire, on navigable rivers bordering on or located in part in this state, if such fuel is delivered by the seller to the purchaser's barge, ship, or waterborne vessel while it is afloat upon such river;

(28) All sales made to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections 238.010 to 238.100 in the exercise of the functions and activities of such agency as provided pursuant to the compact;

(29) Computers, computer software and computer security systems purchased for use by architectural or engineering firms headquartered in this state. For the purposes of this subdivision, "headquartered in this state" means the office for the administrative management of at least four integrated facilities operated by the taxpayer is located in the state of Missouri;

(30) All livestock sales when either the seller is engaged in the growing, producing or feeding of such livestock, or the seller is engaged in the business of buying and selling, bartering or leasing of such livestock;

(31) All sales of barges which are to be used primarily in the transportation of property or cargo on interstate waterways;

(32) Electrical energy or gas, whether natural, artificial or propane, water, or other utilities which are ultimately consumed in connection with the manufacturing of cellular glass products or in any material recovery processing plant as defined in subdivision (5) of this subsection;

(33) Notwithstanding other provisions of law to the contrary, all sales of pesticides or herbicides used in the production of crops, aquaculture, livestock or poultry;

(34) Tangible personal property and utilities purchased for use or consumption directly or exclusively in the research and development of agricultural/biotechnology and plant genomics products and prescription pharmaceuticals consumed by humans or animals;

(35) All sales of grain bins for storage of grain for resale;

(36) All sales of feed which are developed for and used in the feeding of pets owned by a commercial breeder when such sales are made to a commercial breeder, as defined in section 273.325, and licensed pursuant to sections 273.325 to 273.357;

(37) All purchases by a contractor on behalf of an entity located in another state, provided that the entity is authorized to issue a certificate of exemption for purchases to a contractor under the provisions of that state's laws. For purposes of this subdivision, the term "certificate of exemption" shall mean any document evidencing that the entity is exempt from sales and use taxes on purchases pursuant to the laws of the state in which the entity is located. Any contractor making purchases on behalf of such entity shall maintain a copy of the entity's exemption certificate as evidence of the exemption. If the exemption certificate issued by the exempt entity to the contractor is later determined by the director of revenue to be invalid for any reason and the contractor has accepted the certificate in good faith, neither the contractor or the exempt entity shall be liable for the payment of any taxes, interest and penalty due as the result of use of the invalid exemption certificate. Materials shall be exempt from all state and local sales and use taxes when purchased by a contractor for the purpose of fabricating tangible personal property which is used in fulfilling a contract for the purpose of constructing, repairing or remodeling facilities for the following:

(a) An exempt entity located in this state, if the entity is one of those entities able to issue project exemption certificates in accordance with the provisions of section 144.062; or

(b) An exempt entity located outside the state if the exempt entity is authorized to issue an exemption certificate to contractors in accordance with the provisions of that state's law and the applicable provisions of this section;

(38) All sales or other transfers of tangible personal property to a lessor who leases the property under a lease of one year or longer executed or in effect at the time of the sale or other transfer to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections 238.010 to 238.100;

(39) Sales of tickets to any collegiate athletic championship event that is held in a facility owned or operated by a governmental authority or commission, a quasi-governmental agency, a state university or college or by the state or any political subdivision thereof, including a municipality, and that is played on a neutral site and may reasonably be played at a site located outside the state of Missouri. For purposes of this subdivision, "neutral site" means any site that is not located on the campus of a conference member institution participating in the event;

(40) All purchases by a sports complex authority created under section 64.920, and all sales of utilities by such authority at the authority's cost that are consumed in connection with the operation of a sports complex leased to a professional sports team;

(41) Beginning January 1, 2009, but not after January 1, 2015, materials, replacement parts, and equipment purchased for use directly upon, and for the modification, replacement, repair, and maintenance of aircraft, aircraft power plants, and aircraft accessories;

(42) Sales of sporting clays, wobble, skeet, and trap targets to any shooting range or similar places of business for use in the normal course of business and money received by a shooting range or similar places of business from patrons and held by a shooting range or similar place of business for redistribution to patrons at the conclusion of a shooting event;

(43) All materials, manufactured goods, machinery and parts, electrical energy and gas, whether natural, artificial or propane, water, coal, and energy sources, chemicals, soaps, detergents, cleaning and sanitizing agents, and other ingredients and materials used or consumed by commercial or industrial laundries to treat, clean, and sanitize textiles and other materials.

3. Any ruling, agreement, or contract, whether written or oral, express or implied, between a person and this state's executive branch, or any other state agency or department, stating, agreeing, or ruling that such person is not required to collect sales and use tax in this state despite the presence of a warehouse, distribution center, or fulfillment center in this state that is owned or operated by the person or an affiliated person shall be null and void unless it is specifically approved by a majority vote of each of the houses of the general assembly. For purposes of this subsection, an "affiliated person" means any person that is a member of the same controlled group of corporations as defined in Section 1563(a) of the Internal Revenue Code of 1986, as amended, as the vendor or any other entity that, notwithstanding its form of organization, bears the same ownership relationship to the vendor as a corporation that is a member of the same controlled group of corporations as defined in Section 1563(a) of the Internal Revenue Code, as amended.

144.054. 1. As used in this section, the following terms mean:

(1) "Processing", any mode of treatment, act, or series of acts performed upon materials to transform or reduce them to a different state or thing, including treatment necessary to maintain or preserve such processing by the producer at the production facility;

(2) "Recovered materials", those materials which have been diverted or removed from the solid waste stream for sale, use, reuse, or recycling, whether or not they require subsequent separation and processing.

2. In addition to all other exemptions granted under this chapter, there is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and 144.600 to 144.761, and from the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600 to 144.761, electrical energy and gas, whether natural, artificial, or propane, water, coal, and energy sources, chemicals, machinery, equipment, and materials used or consumed in the manufacturing, processing, compounding, mining, or producing of any product, or used or consumed in the processing of recovered materials, or used in research and development related to manufacturing, processing, compounding, mining, or producing any product. The exemptions granted in this subsection shall not apply to local sales taxes as defined in section 32.085 and the provisions of this subsection shall be in addition to any state and local sales tax exemption provided in section 144.030.

3. In addition to all other exemptions granted under this chapter, there is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, and from the computation of the tax levied, assessed, or payable under sections 144.010

to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, all utilities, machinery, and equipment used or consumed directly in television or radio broadcasting and all sales and purchases of tangible personal property, utilities, services, or any other transaction that would otherwise be subject to the state or local sales or use tax when such sales are made to or purchases are made by a contractor for use in fulfillment of any obligation under a defense contract with the United States government, and all sales and leases of tangible personal property by any county, city, incorporated town, or village, provided such sale or lease is authorized under chapter 100, and such transaction is certified for sales tax exemption by the department of economic development, and tangible personal property used for railroad infrastructure brought into this state for processing, fabrication, or other modification for use outside the state in the regular course of business.

4. In addition to all other exemptions granted under this chapter, there is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, and from the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, all sales and purchases of tangible personal property, utilities, services, or any other transaction that would otherwise be subject to the state or local sales or use tax when such sales are made to or purchases are made by a private partner for use in completing a project under sections 227.600 to 227.669.

5. In addition to all other exemptions granted under this chapter, there is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, and from the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, all materials, manufactured goods, machinery and parts, electrical energy and gas, whether natural, artificial or propane, water, coal and other energy sources, chemicals, soaps, detergents, cleaning and sanitizing agents, and other ingredients and materials inserted by commercial or industrial laundries to treat, clean, and sanitize textiles in facilities which process at least five hundred pounds of textiles per hour and at least sixty thousand pounds per week."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Jones (50), **House Amendment No. 3** was adopted.

Representative Brattin offered **House Amendment No. 4**.

House Amendment No. 4

AMEND House Committee Substitute for Senate Bill No. 662, Page 1, in the title, Lines 2-3, by deleting the words, "notice of sales tax modifications" and inserting in lieu thereof the word, "taxation"; and

Further amend said bill, Page 1, Section A, Line 2, by inserting after all of said line and section the following:

"142.815. 1. Motor fuel used for the following nonhighway purposes is exempt from the fuel tax imposed by this chapter, and a refund may be claimed by the consumer, except as provided for in subdivision (1) of this subsection, if the tax has been paid and no refund has been previously issued:

(1) Motor fuel used for nonhighway purposes including fuel for farm tractors or stationary engines owned or leased and operated by any person and used exclusively for agricultural purposes and including, beginning January 1, 2006, bulk sales of one hundred gallons or more of gasoline made to farmers and delivered by the ultimate [vender] **vendor** to a farm location for agricultural purposes only. As used in this section, the term "farmer" shall mean any person engaged in farming in an authorized farm corporation, family farm, or family farm corporation as defined in section 350.010. At the discretion of the ultimate [vender] **vendor**, the refund may be claimed by the ultimate [vender] **vendor** on behalf of the consumer for sales made to farmers and to persons engaged in construction for agricultural purposes as defined in section 142.800. After December 31, 2000, the refund may be claimed only by the consumer and may not be claimed by the ultimate [vender] **vendor** unless bulk sales of gasoline are made to a farmer after January 1, 2006, as provided in this subdivision and the farmer provides an exemption certificate to the ultimate [vender] **vendor**, in which case the ultimate [vender] **vendor** may make a claim for refund under section 142.824 but shall be liable for any erroneous refund;

(2) Kerosene sold for use as fuel to generate power in aircraft engines, whether in aircraft or for training, testing or research purposes of aircraft engines;

(3) Diesel fuel used as heating oil, or in railroad locomotives or any other motorized flanged-wheel rail equipment, or used for other nonhighway purposes other than as expressly exempted pursuant to another provision.

2. Subject to the procedural requirements and conditions set out in this chapter, the following uses are exempt from the tax imposed by section 142.803 on motor fuel, and a deduction or a refund may be claimed:

(1) Motor fuel for which proof of export is available in the form of a terminal-issued destination state shipping paper and which is either:

(a) Exported by a supplier who is licensed in the destination state or through the bulk transfer system;

(b) Removed by a licensed distributor for immediate export to a state for which all the applicable taxes and fees (however nominated in that state) of the destination state have been paid to the supplier, as a trustee, who is licensed to remit tax to the destination state; or which is destined for use within the destination state by the federal government for which an exemption has been made available by the destination state subject to procedural rules and regulations promulgated by the director; or

(c) Acquired by a licensed distributor and which the tax imposed by this chapter has previously been paid or accrued either as a result of being stored outside of the bulk transfer system immediately prior to loading or as a diversion across state boundaries properly reported in conformity with this chapter and was subsequently exported from this state on behalf of the distributor; The exemption pursuant to paragraph (a) of this subdivision shall be claimed by a deduction on the report of the supplier which is otherwise responsible for remitting the tax upon removal of the product from a terminal or refinery in this state. The exemption pursuant to paragraphs (b) and (c) of this subdivision shall be claimed by the distributor, upon a refund application made to the director within three years. A refund claim may be made monthly or whenever the claim exceeds one thousand dollars;

(2) Undyed K-1 kerosene sold at retail through dispensers which have been designed and constructed to prevent delivery directly from the dispenser into a vehicle fuel supply tank, and undyed K-1 kerosene sold at retail through nonbarricaded dispensers in quantities of not more than twenty-one gallons for use other than for highway purposes. Exempt use of undyed kerosene shall be governed by rules and regulations of the director. If no rules or regulations are promulgated by the director, then the exempt use of undyed kerosene shall be governed by rules and regulations of the Internal Revenue Service. A distributor or supplier delivering to a retail facility shall obtain an exemption certificate from the owner or operator of such facility stating that its sales conform to the dispenser requirements of this subdivision. A licensed distributor, having obtained such certificate, may provide a copy to his or her supplier and obtain undyed kerosene without the tax levied by section 142.803. Having obtained such certificate in good faith, such supplier shall be relieved of any responsibility if the fuel is later used in a taxable manner. An ultimate vendor who obtained undyed kerosene upon which the tax levied by section 142.803 had been paid and makes sales qualifying pursuant to this subsection may apply for a refund of the tax pursuant to application, as provided in section 142.818, to the director provided the ultimate vendor did not charge such tax to the consumer;

(3) Motor fuel sold to the United States or any agency or instrumentality thereof. This exemption shall be claimed as provided in section 142.818;

(4) Motor fuel used solely and exclusively as fuel to propel motor vehicles on the public roads and highways of this state when leased or owned and when being operated by a federally recognized Indian tribe in the performance of essential governmental functions, such as providing police, fire, health or water services. The exemption for use pursuant to this subdivision shall be made available to the tribal government upon a refund application stating that the motor fuel was purchased for the exclusive use of the tribe in performing named essential governmental services;

(5) That portion of motor fuel used to operate equipment attached to a motor vehicle, if the motor fuel was placed into the fuel supply tank of a motor vehicle that has a common fuel reservoir for travel on a highway and for the operation of equipment, or if the motor fuel was placed in a separate fuel tank and used only for the operation of auxiliary equipment. The exemption for use pursuant to this subdivision shall be claimed by a refund claim filed by the consumer who shall provide evidence of an allocation of use satisfactory to the director;

(6) Motor fuel acquired by a consumer out-of-state and carried into this state, retained within and consumed from the same vehicle fuel supply tank within which it was imported, except interstate motor fuel users;

(7) Motor fuel which was purchased tax-paid and which was lost or destroyed as a direct result of a sudden and unexpected casualty or which had been accidentally contaminated so as to be unsalable as highway fuel as shown by proper documentation as required by the director. The exemption pursuant to this subdivision shall be refunded to the person or entity owning the motor fuel at the time of the contamination or loss. Such person shall notify the director in writing of such event and the amount of motor fuel lost or contaminated within ten days from the date of discovery of such loss or contamination, and within thirty days after such notice, shall file an affidavit sworn to by the person having

immediate custody of such motor fuel at the time of the loss or contamination, setting forth in full the circumstances and the amount of the loss or contamination and such other information with respect thereto as the director may require;

(8) Dyed diesel fuel or dyed kerosene used for an exempt purpose. This exemption shall be claimed as follows:

(a) A supplier or importer shall take a deduction against motor fuel tax owed on their monthly report for those gallons of dyed diesel fuel or dyed kerosene imported or removed from a terminal or refinery destined for delivery to a point in this state as shown on the shipping papers;

(b) This exemption shall be claimed by a deduction on the report of the supplier which is otherwise responsible for remitting the tax on removal of the product from a terminal or refinery in this state;

(c) This exemption shall be claimed by the distributor, upon a refund application made to the director within three years. A refund claim may be made monthly or whenever the claim exceeds one thousand dollars.

(9) Motor fuel delivered to any marina within this state that sells such fuel solely for use in any watercraft, as such term is defined in section 306.010, and not accessible to other motor vehicles, is exempt from the fuel tax imposed by this chapter. Any motor fuel distributor that delivers motor fuel to any marina in this state for use solely in any watercraft, as such term is defined in section 306.010, may claim the exemption provided in this subsection. Any motor fuel customer who purchases motor fuel for use in any watercraft, as such term is defined in section 306.010, at a location other than a marina within this state may claim the exemption provided in this subsection by filing a claim for refund of the fuel tax."; and

Further amend said bill, Page 2, Section 144.021, Line 29, by inserting after all of said line and section the following:

"144.030. 1. There is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and from the computation of the tax levied, assessed or payable pursuant to sections 144.010 to 144.525 such retail sales as may be made in commerce between this state and any other state of the United States, or between this state and any foreign country, and any retail sale which the state of Missouri is prohibited from taxing pursuant to the Constitution or laws of the United States of America, and such retail sales of tangible personal property which the general assembly of the state of Missouri is prohibited from taxing or further taxing by the constitution of this state.

2. There are also specifically exempted from the provisions of the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.761 and from the computation of the tax levied, assessed or payable pursuant to the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.745:

(1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of such excise tax is refunded pursuant to section 142.824; or upon the sale at retail of fuel to be consumed in manufacturing or creating gas, power, steam, electrical current or in furnishing water to be sold ultimately at retail; or feed for livestock or poultry; or grain to be converted into foodstuffs which are to be sold ultimately in processed form at retail; or seed, limestone or fertilizer which is to be used for seeding, liming or fertilizing crops which when harvested will be sold at retail or will be fed to livestock or poultry to be sold ultimately in processed form at retail; economic poisons registered pursuant to the provisions of the Missouri pesticide registration law (sections 281.220 to 281.310) which are to be used in connection with the growth or production of crops, fruit trees or orchards applied before, during, or after planting, the crop of which when harvested will be sold at retail or will be converted into foodstuffs which are to be sold ultimately in processed form at retail;

(2) Materials, manufactured goods, machinery and parts which when used in manufacturing, processing, compounding, mining, producing or fabricating become a component part or ingredient of the new personal property resulting from such manufacturing, processing, compounding, mining, producing or fabricating and which new personal property is intended to be sold ultimately for final use or consumption; and materials, including without limitation, gases and manufactured goods, including without limitation slagging materials and firebrick, which are ultimately consumed in the manufacturing process by blending, reacting or interacting with or by becoming, in whole or in part, component parts or ingredients of steel products intended to be sold ultimately for final use or consumption;

(3) Materials, replacement parts and equipment purchased for use directly upon, and for the repair and maintenance or manufacture of, motor vehicles, watercraft, railroad rolling stock or aircraft engaged as common carriers of persons or property;

(4) Motor vehicles registered in excess of fifty-four thousand pounds, and the trailers pulled by such motor vehicles, that are actually used in the normal course of business to haul property on the public highways of the state, and that are capable of hauling loads commensurate with the motor vehicle's registered weight; and the materials, replacement parts, and equipment purchased for use directly upon, and for the repair and maintenance or manufacture of such

vehicles. For purposes of this subdivision "motor vehicle" and "public highway" shall have the meaning as ascribed in section 390.020;

(5) Replacement machinery, equipment, and parts and the materials and supplies solely required for the installation or construction of such replacement machinery, equipment, and parts, used directly in manufacturing, mining, fabricating or producing a product which is intended to be sold ultimately for final use or consumption; and machinery and equipment, and the materials and supplies required solely for the operation, installation or construction of such machinery and equipment, purchased and used to establish new, or to replace or expand existing, material recovery processing plants in this state. For the purposes of this subdivision, a "material recovery processing plant" means a facility that has as its primary purpose the recovery of materials into a useable product or a different form which is used in producing a new product and shall include a facility or equipment which are used exclusively for the collection of recovered materials for delivery to a material recovery processing plant but shall not include motor vehicles used on highways. For purposes of this section, the terms motor vehicle and highway shall have the same meaning pursuant to section 301.010. Material recovery is not the reuse of materials within a manufacturing process or the use of a product previously recovered. The material recovery processing plant shall qualify under the provisions of this section regardless of ownership of the material being recovered;

(6) Machinery and equipment, and parts and the materials and supplies solely required for the installation or construction of such machinery and equipment, purchased and used to establish new or to expand existing manufacturing, mining or fabricating plants in the state if such machinery and equipment is used directly in manufacturing, mining or fabricating a product which is intended to be sold ultimately for final use or consumption;

(7) Tangible personal property which is used exclusively in the manufacturing, processing, modification or assembling of products sold to the United States government or to any agency of the United States government;

(8) Animals or poultry used for breeding or feeding purposes, or captive wildlife;

(9) Newsprint, ink, computers, photosensitive paper and film, toner, printing plates and other machinery, equipment, replacement parts and supplies used in producing newspapers published for dissemination of news to the general public;

(10) The rentals of films, records or any type of sound or picture transcriptions for public commercial display;

(11) Pumping machinery and equipment used to propel products delivered by pipelines engaged as common carriers;

(12) Railroad rolling stock for use in transporting persons or property in interstate commerce and motor vehicles licensed for a gross weight of twenty-four thousand pounds or more or trailers used by common carriers, as defined in section 390.020, in the transportation of persons or property;

(13) Electrical energy used in the actual primary manufacture, processing, compounding, mining or producing of a product, or electrical energy used in the actual secondary processing or fabricating of the product, or a material recovery processing plant as defined in subdivision (5) of this subsection, in facilities owned or leased by the taxpayer, if the total cost of electrical energy so used exceeds ten percent of the total cost of production, either primary or secondary, exclusive of the cost of electrical energy so used or if the raw materials used in such processing contain at least twenty-five percent recovered materials as defined in section 260.200. There shall be a rebuttable presumption that the raw materials used in the primary manufacture of automobiles contain at least twenty-five percent recovered materials. For purposes of this subdivision, "processing" means any mode of treatment, act or series of acts performed upon materials to transform and reduce them to a different state or thing, including treatment necessary to maintain or preserve such processing by the producer at the production facility;

(14) Anodes which are used or consumed in manufacturing, processing, compounding, mining, producing or fabricating and which have a useful life of less than one year;

(15) Machinery, equipment, appliances and devices purchased or leased and used solely for the purpose of preventing, abating or monitoring air pollution, and materials and supplies solely required for the installation, construction or reconstruction of such machinery, equipment, appliances and devices;

(16) Machinery, equipment, appliances and devices purchased or leased and used solely for the purpose of preventing, abating or monitoring water pollution, and materials and supplies solely required for the installation, construction or reconstruction of such machinery, equipment, appliances and devices;

(17) Tangible personal property purchased by a rural water district;

(18) All amounts paid or charged for admission or participation or other fees paid by or other charges to individuals in or for any place of amusement, entertainment or recreation, games or athletic events, including museums, fairs, zoos and planetariums, owned or operated by a municipality or other political subdivision where all the proceeds derived therefrom benefit the municipality or other political subdivision and do not inure to any private person, firm, or corporation, provided, however, that a municipality or other political subdivision may enter into revenue-sharing

agreements with private persons, firms, or corporations providing goods or services, including management services, in or for the place of amusement, entertainment or recreation, games or athletic events, and provided further that nothing in this subdivision shall exempt from tax any amounts retained by any private person, firm, or corporation under such revenue-sharing agreement;

(19) All sales of insulin and prosthetic or orthopedic devices as defined on January 1, 1980, by the federal Medicare program pursuant to Title XVIII of the Social Security Act of 1965, including the items specified in Section 1862(a)(12) of that act, and also specifically including hearing aids and hearing aid supplies and all sales of drugs which may be legally dispensed by a licensed pharmacist only upon a lawful prescription of a practitioner licensed to administer those items, including samples and materials used to manufacture samples which may be dispensed by a practitioner authorized to dispense such samples and all sales or rental of medical oxygen, home respiratory equipment and accessories, hospital beds and accessories and ambulatory aids, all sales or rental of manual and powered wheelchairs, stairway lifts, Braille writers, electronic Braille equipment and, if purchased or rented by or on behalf of a person with one or more physical or mental disabilities to enable them to function more independently, all sales or rental of scooters, reading machines, electronic print enlargers and magnifiers, electronic alternative and augmentative communication devices, and items used solely to modify motor vehicles to permit the use of such motor vehicles by individuals with disabilities or sales of over-the-counter or nonprescription drugs to individuals with disabilities, and drugs required by the Food and Drug Administration to meet the over-the-counter drug product labeling requirements in 21 CFR 201.66, or its successor, as prescribed by a health care practitioner licensed to prescribe;

(20) All sales made by or to religious and charitable organizations and institutions in their religious, charitable or educational functions and activities and all sales made by or to allelementary and secondary schools operated at public expense in their educational functions and activities;

(21) All sales of aircraft to common carriers for storage or for use in interstate commerce and all sales made by or to not-for-profit civic, social, service or fraternal organizations, including fraternal organizations which have been declared tax-exempt organizations pursuant to Section 501(c)(8) or (10) of the 1986 Internal Revenue Code, as amended, in their civic or charitable functions and activities and all sales made to eleemosynary and penal institutions and industries of the state, and all sales made to any private not-for-profit institution of higher education not otherwise excluded pursuant to subdivision (20) of this subsection or any institution of higher education supported by public funds, and all sales made to a state relief agency in the exercise of relief functions and activities;

(22) All ticket sales made by benevolent, scientific and educational associations which are formed to foster, encourage, and promote progress and improvement in the science of agriculture and in the raising and breeding of animals, and by nonprofit summer theater organizations if such organizations are exempt from federal tax pursuant to the provisions of the Internal Revenue Code and all admission charges and entry fees to the Missouri state fair or any fair conducted by a county agricultural and mechanical society organized and operated pursuant to sections 262.290 to 262.530;

(23) All sales made to any private not-for-profit elementary or secondary school, all sales of feed additives, medications or vaccines administered to livestock or poultry in the production of food or fiber, all sales of pesticides used in the production of crops, livestock or poultry for food or fiber, all sales of bedding used in the production of livestock or poultry for food or fiber, all sales of propane or natural gas, electricity or diesel fuel used exclusively for drying agricultural crops, natural gas used in the primary manufacture or processing of fuel ethanol as defined in section 142.028, natural gas, propane, and electricity used by an eligible new generation cooperative or an eligible new generation processing entity as defined in section 348.432, and all sales of farm machinery and equipment, other than airplanes, motor vehicles and trailers, and any freight charges on any exempt item. As used in this subdivision, the term "feed additives" means tangible personal property which, when mixed with feed for livestock or poultry, is to be used in the feeding of livestock or poultry. As used in this subdivision, the term "pesticides" includes adjuvants such as crop oils, surfactants, wetting agents and other assorted pesticide carriers used to improve or enhance the effect of a pesticide and the foam used to mark the application of pesticides and herbicides for the production of crops, livestock or poultry. As used in this subdivision, the term "farm machinery and equipment" means new or used farm tractors and such other new or used farm machinery and equipment and repair or replacement parts thereon and any accessories for and upgrades to such farm machinery and equipment, rotary mowers used exclusively for agricultural purposes, and supplies and lubricants used exclusively, solely, and directly for producing crops, raising and feeding livestock, fish, poultry, pheasants, chukar, quail, or for producing milk for ultimate sale at retail, including field drain tile, and one-half of each purchaser's purchase of diesel fuel therefor which is:

(a) Used exclusively for agricultural purposes;

(b) Used on land owned or leased for the purpose of producing farm products; and

(c) Used directly in producing farm products to be sold ultimately in processed form or otherwise at retail or in producing farm products to be fed to livestock or poultry to be sold ultimately in processed form at retail;

(24) Except as otherwise provided in section 144.032, all sales of metered water service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil for domestic use and in any city not within a county, all sales of metered or unmetered water service for domestic use:

(a) "Domestic use" means that portion of metered water service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil, and in any city not within a county, metered or unmetered water service, which an individual occupant of a residential premises uses for nonbusiness, noncommercial or nonindustrial purposes. Utility service through a single or master meter for residential apartments or condominiums, including service for common areas and facilities and vacant units, shall be deemed to be for domestic use. Each seller shall establish and maintain a system whereby individual purchases are determined as exempt or nonexempt;

(b) Regulated utility sellers shall determine whether individual purchases are exempt or nonexempt based upon the seller's utility service rate classifications as contained in tariffs on file with and approved by the Missouri public service commission. Sales and purchases made pursuant to the rate classification "residential" and sales to and purchases made by or on behalf of the occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, shall be considered as sales made for domestic use and such sales shall be exempt from sales tax. Sellers shall charge sales tax upon the entire amount of purchases classified as nondomestic use. The seller's utility service rate classification and the provision of service thereunder shall be conclusive as to whether or not the utility must charge sales tax;

(c) Each person making domestic use purchases of services or property and who uses any portion of the services or property so purchased for a nondomestic use shall, by the fifteenth day of the fourth month following the year of purchase, and without assessment, notice or demand, file a return and pay sales tax on that portion of nondomestic purchases. Each person making nondomestic purchases of services or property and who uses any portion of the services or property so purchased for domestic use, and each person making domestic purchases on behalf of occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, under a nonresidential utility service rate classification may, between the first day of the first month and the fifteenth day of the fourth month following the year of purchase, apply for credit or refund to the director of revenue and the director shall give credit or make refund for taxes paid on the domestic use portion of the purchase. The person making such purchases on behalf of occupants of residential apartments or condominiums shall have standing to apply to the director of revenue for such credit or refund;

(25) All sales of handicraft items made by the seller or the seller's spouse if the seller or the seller's spouse is at least sixty-five years of age, and if the total gross proceeds from such sales do not constitute a majority of the annual gross income of the seller;

(26) Excise taxes, collected on sales at retail, imposed by Sections 4041, 4061, 4071, 4081, 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director of revenue shall promulgate rules pursuant to chapter 536 to eliminate all state and local sales taxes on such excise taxes;

(27) Sales of fuel consumed or used in the operation of ships, barges, or waterborne vessels which are used primarily in or for the transportation of property or cargo, or the conveyance of persons for hire, on navigable rivers bordering on or located in part in this state, if such fuel is delivered by the seller to the purchaser's barge, ship, or waterborne vessel while it is afloat upon such river;

(28) All sales made to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections 238.010 to 238.100 in the exercise of the functions and activities of such agency as provided pursuant to the compact;

(29) Computers, computer software and computer security systems purchased for use by architectural or engineering firms headquartered in this state. For the purposes of this subdivision, "headquartered in this state" means the office for the administrative management of at least four integrated facilities operated by the taxpayer is located in the state of Missouri;

(30) All livestock sales when either the seller is engaged in the growing, producing or feeding of such livestock, or the seller is engaged in the business of buying and selling, bartering or leasing of such livestock;

(31) All sales of barges which are to be used primarily in the transportation of property or cargo on interstate waterways;

(32) Electrical energy or gas, whether natural, artificial or propane, water, or other utilities which are ultimately consumed in connection with the manufacturing of cellular glass products or in any material recovery processing plant as defined in subdivision (5) of this subsection;

(33) Notwithstanding other provisions of law to the contrary, all sales of pesticides or herbicides used in the production of crops, aquaculture, livestock or poultry;

(34) Tangible personal property and utilities purchased for use or consumption directly or exclusively in the research and development of agricultural/biotechnology and plant genomics products and prescription pharmaceuticals consumed by humans or animals;

(35) All sales of grain bins for storage of grain for resale;

(36) All sales of feed which are developed for and used in the feeding of pets owned by a commercial breeder when such sales are made to a commercial breeder, as defined in section 273.325, and licensed pursuant to sections 273.325 to 273.357;

(37) All purchases by a contractor on behalf of an entity located in another state, provided that the entity is authorized to issue a certificate of exemption for purchases to a contractor under the provisions of that state's laws. For purposes of this subdivision, the term "certificate of exemption" shall mean any document evidencing that the entity is exempt from sales and use taxes on purchases pursuant to the laws of the state in which the entity is located. Any contractor making purchases on behalf of such entity shall maintain a copy of the entity's exemption certificate as evidence of the exemption. If the exemption certificate issued by the exempt entity to the contractor is later determined by the director of revenue to be invalid for any reason and the contractor has accepted the certificate in good faith, neither the contractor or the exempt entity shall be liable for the payment of any taxes, interest and penalty due as the result of use of the invalid exemption certificate. Materials shall be exempt from all state and local sales and use taxes when purchased by a contractor for the purpose of fabricating tangible personal property which is used in fulfilling a contract for the purpose of constructing, repairing or remodeling facilities for the following:

(a) An exempt entity located in this state, if the entity is one of those entities able to issue project exemption certificates in accordance with the provisions of section 144.062; or

(b) An exempt entity located outside the state if the exempt entity is authorized to issue an exemption certificate to contractors in accordance with the provisions of that state's law and the applicable provisions of this section;

(38) All sales or other transfers of tangible personal property to a lessor who leases the property under a lease of one year or longer executed or in effect at the time of the sale or other transfer to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections 238.010 to 238.100;

(39) Sales of tickets to any collegiate athletic championship event that is held in a facility owned or operated by a governmental authority or commission, a quasi-governmental agency, a state university or college or by the state or any political subdivision thereof, including a municipality, and that is played on a neutral site and may reasonably be played at a site located outside the state of Missouri. For purposes of this subdivision, "neutral site" means any site that is not located on the campus of a conference member institution participating in the event;

(40) All purchases by a sports complex authority created under section 64.920, and all sales of utilities by such authority at the authority's cost that are consumed in connection with the operation of a sports complex leased to a professional sports team;

(41) Beginning January 1, 2009, but not after January 1, 2015, materials, replacement parts, and equipment purchased for use directly upon, and for the modification, replacement, repair, and maintenance of aircraft, aircraft power plants, and aircraft accessories;

(42) Sales of sporting clays, wobble, skeet, and trap targets to any shooting range or similar places of business for use in the normal course of business and money received by a shooting range or similar places of business from patrons and held by a shooting range or similar place of business for redistribution to patrons at the conclusion of a shooting event;

(43) All sales of motor fuel, as defined in section 142.800, used in any watercraft, as defined in section 306.010.

3. Any ruling, agreement, or contract, whether written or oral, express or implied, between a person and this state's executive branch, or any other state agency or department, stating, agreeing, or ruling that such person is not required to collect sales and use tax in this state despite the presence of a warehouse, distribution center, or fulfillment center in this state that is owned or operated by the person or an affiliated person shall be null and void unless it is specifically approved by a majority vote of each of the houses of the general assembly. For purposes of this subsection, an "affiliated person" means any person that is a member of the same controlled group of corporations as defined in Section 1563(a) of the Internal Revenue Code of 1986, as amended, as the vendor or any other entity that, notwithstanding its form of organization, bears the same ownership relationship to the vendor as a corporation that is a member of the same controlled group of corporations as defined in Section 1563(a) of the Internal Revenue Code, as amended."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Brattin, **House Amendment No. 4** was adopted.

Representative Hicks offered **House Amendment No. 5.**

House Amendment No. 5

AMEND House Committee Substitute for Senate Bill No. 662, Page 1, Section A, Line 2, by inserting after all of said section and line the following:

"94.270. 1. The mayor and board of aldermen shall have power and authority to regulate and to license and to levy and collect a license tax on auctioneers, druggists, hawkers, peddlers, banks, brokers, pawnbrokers, merchants of all kinds, grocers, confectioners, restaurants, butchers, taverns, hotels, public boardinghouses, billiard and pool tables and other tables, bowling alleys, lumber dealers, real estate agents, loan companies, loan agents, public buildings, public halls, opera houses, concerts, photographers, bill posters, artists, agents, porters, public lecturers, public meetings, circuses and shows, for parades and exhibitions, moving picture shows, horse or cattle dealers, patent right dealers, stockyards, inspectors, gaugers, mercantile agents, gas companies, insurance companies, insurance agents, express companies, and express agents, telegraph companies, light, power and water companies, telephone companies, manufacturing and other corporations or institutions, automobile agencies, and dealers, public garages, automobile repair shops or both combined, dealers in automobile accessories, gasoline filling stations, soft drink stands, ice cream stands, ice cream and soft drink stands combined, soda fountains, street railroad cars, omnibuses, drays, transfer and all other vehicles, traveling and auction stores, plumbers, and all other business, trades and avocations whatsoever, and fix the rate of carriage of persons, drayage and cartage of property; and to license, tax, regulate and suppress ordinaries, money brokers, money changers, intelligence and employment offices and agencies, public masquerades, balls, street exhibitions, dance houses, fortune tellers, pistol galleries, corn doctors, private venereal hospitals, museums, menageries, equestrian performances, horoscopic views, telescopic views, lung testers, muscle developers, magnifying glasses, ten pin alleys, ball alleys, billiard tables, pool tables and other tables, theatrical or other exhibitions, boxing and sparring exhibitions, shows and amusements, tippling houses, and sales of unclaimed goods by express companies or common carriers, auto wrecking shops and junk dealers; to license, tax and regulate hackmen, draymen, omnibus drivers, porters and all others pursuing like occupations, with or without vehicles, and to prescribe their compensation; and to regulate, license and restrain runners for steamboats, cars, and public houses; and to license ferries, and to regulate the same and the landing thereof within the limits of the city, and to license and tax auto liveries, auto drays and jitneys.

2. Notwithstanding any other law to the contrary, no city of the fourth classification with more than eight hundred but less than nine hundred inhabitants and located in any county with a charter form of government and with more than one million inhabitants shall levy or collect a license fee on hotels or motels in an amount in excess of [twenty-seven] **thirteen dollars fifty cents** per room per year. No hotel or motel in such city shall be required to pay a license fee in excess of such amount, and any license fee in such city that exceeds the limitations of this subsection shall be automatically reduced to comply with this subsection.

3. Notwithstanding any other law to the contrary, no city of the fourth classification with more than four thousand one hundred but less than four thousand two hundred inhabitants and located in any county with a charter form of government and with more than one million inhabitants shall levy or collect a license fee on hotels or motels in an amount in excess of thirteen dollars and fifty cents per room per year. No hotel or motel in such city shall be required to pay a license fee in excess of such amount, and any license fee in such city that exceeds the limitations of this subsection shall be automatically reduced to comply with this subsection.

4. Notwithstanding any other law to the contrary, on or after January 1, 2006, no city of the fourth classification with more than fifty-one thousand three hundred and eighty but less than fifty-one thousand four hundred inhabitants and located in any county with a charter form of government and with more than two hundred eighty thousand but less than two hundred eighty-five thousand or no city of the fourth classification with more than fifty-one thousand but fewer than fifty-two thousand inhabitants and located in any county with a charter form of government and with more than two hundred eighty thousand but less than two hundred eighty-five thousand shall levy or collect a license fee on hotels or motels in an amount in excess of one thousand dollars per year. No hotel or motel in such city shall be required to pay a license fee in excess of such amount, and any license fee in such city that exceeds the limitation of this subsection shall be automatically reduced to comply with this subsection.

5. Any city under subsection 4 of this section may increase a hotel and motel license tax by five percent per year but the total tax levied under this section shall not exceed one-eighth of one percent of such hotels' or motels' gross revenue.

6. Any city under subsection 1 of this section may increase a hotel and motel license tax by five percent per year but the total tax levied under this section shall not exceed the greater of:

- (1) One-eighth of one percent of such hotels' or motels' gross revenue; or
- (2) The business license tax rate for such hotel or motel on May 1, 2005.

7. The provisions of subsection 6 of this section shall not apply to any tax levied by a city when the revenue from such tax is restricted for use to a project from which bonds are outstanding as of May 1, 2005."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Hicks, **House Amendment No. 5** was adopted.

Representative Neth offered **House Amendment No. 6**.

House Amendment No. 6

AMEND House Committee Substitute for Senate Bill No. 662, Page 1, Section A, Line 2, by inserting after all of said line the following:

"67.585. 1. The governing body of any county of the first classification with more than two hundred thousand but fewer than two hundred sixty thousand inhabitants, through the creation of a recreational and community center district which shall include only the area encompassed by the portion of a school district located within that county having an average daily attendance for the 2012-2013 school year between eleven thousand and twelve thousand students and any public park located wholly or partially within that portion of the school district, upon voter approval as outlined in subsections 2 and 3 of this section, shall impose, by order or ordinance, a sales tax on all retail sales made within the recreational and community center district which are subject to sales tax under chapter 144. The tax authorized in this section shall not exceed one half of one percent and shall be imposed for the purpose of funding the construction, maintenance, and operation of and the purchase of equipment for community centers and other purposes of recreation and wellness as determined by the board which is established in subsection 8 of this section. The tax authorized in 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.

2. (1) No such order or ordinance adopted under subsection 1 of this section shall become effective unless the governing body of the county submits to the voters residing within the recreational and community center district on any date available for elections in the county, a proposal to authorize the governing body of the county to impose a tax under this section; or

(2) If the governing body of the county receives a petition signed by ten percent of the registered voters of the county within the recreational and community center district who voted in the last gubernatorial election calling for an election to impose a tax under this section, the governing body shall submit to the voters of the county within the recreational and community center district on any date available for elections in the county, a proposal to authorize the governing body of the county to impose a tax under this section; or

(3) If the governing body of a special charter city with more than twenty-nine thousand but fewer than thirty-two thousand inhabitants, and a governing body of a home rule city with more than four hundred thousand inhabitants and located in more than one county, jointly request, the governing body of the county shall submit to the voters of the county within the recreational and community center district on any date available for elections in the county a proposal to authorize the governing body of the county to impose a tax under this section.

All costs associated with placing such a question to the voters within the recreational and community center district shall be borne by the cities referenced in subdivision (3) of subsection 2 of this section. If such tax is authorized by the voters of the recreational and community center district, the cost may be reimbursed to such cities upon implementation of the tax.

3. The ballot of submission shall contain, but need not be limited to, the following language:

Shall the county of (county's name) impose a sales tax of (insert amount) within the boundaries of the (insert name) school district for the purpose of funding the construction, repair, improvement, maintenance, and operation of and purchase of equipment for community centers and other recreational facilities and programs?

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the tax shall become effective on the first day of the second calendar quarter. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the question, then the tax shall not become effective unless and until the question is resubmitted under this section to the qualified voters and such question is approved by the requisite majority of the qualified voters voting on the question. In no event shall a proposal under this section be submitted to the voters sooner than twelve months from the date of the last proposal under this section.

4. Except as modified in this section, all provisions of sections 32.085 and 32.087 shall apply to the tax imposed under this section.

5. All revenue collected under this section by the director of the department of revenue on behalf of any county, except for one percent for the cost of collection which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in section 32.087, shall be deposited in a special trust fund, which is hereby created and shall be known as the "Recreational and Community Center District Sales Tax Trust Fund", and shall be used solely for the designated purposes. Moneys in the fund shall not be deemed to be state funds and shall not be commingled with any funds of the state. The director may make refunds from the amounts in the fund and credited to the county for erroneous payments and overpayments made and may redeem dishonored checks and drafts deposited to the credit of such county.

6. A question of repeal of the sales tax authorized in this section shall be submitted to the voters on any date available for elections in the county, of the recreational and community center district by the governing body of any county that has adopted the sales tax authorized in this section if:

- (1) The board authorized in subsection 8 of this section requests such; or
- (2) A petition signed by a number of registered voters of the county within the recreational and community center district equal to at least ten percent of the number of registered voters of the county within the recreational and community center district voting in the last gubernatorial election is received requesting such.

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the repeal, that repeal shall become effective on December thirty-first of the calendar year in which such repeal was approved. If less than a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the repeal, then the sales tax authorized in this section shall remain effective until the question is resubmitted under this section to the qualified voters. In no event shall a proposal under this section be submitted to the voters sooner than twelve months from the date of the last proposal under this section. No tax imposed pursuant to this section for the purpose of retiring bonds, as authorized in subsection 8 in this section, may be terminated until all such bonds have been retired.

7. If the tax is repealed or terminated by any means, all funds remaining in the special trust fund shall continue to be used solely for the designated purposes, and the county shall notify the director of the department of revenue of the action at least ninety days before the effective date of the repeal, and the director may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of the tax in such county, the director shall remit the balance in the account to the county and close the account of that county. The director shall notify each county of each instance of any amount refunded or any check redeemed from receipts due to the county.

8. A board shall be established to administer the powers and duties as provided in this section. The board may issue debt for the district as authorized under section 67.798. All board members shall be residents of the recreational and community center district. The board shall consist of eight members as follows:

- (1) Four members appointed by the mayor of a home rule city with more than four hundred thousand inhabitants and located in more than one county, with two of the first members appointed for a two-year term and the other two members appointed for a four-year term. Thereafter, each appointment shall be for a four-year term;
- (2) Four members appointed by the mayor of a special charter city with more than twenty-nine thousand but fewer than thirty-two thousand inhabitants, with two of the first members appointed for a two-year term and the other two members appointed for a four-year term. Thereafter, each appointment shall be for a four-year term;

A board member may be removed by the mayor who appointed him or her, at any time during his or her term, for reasons of excessive absence at regularly scheduled board meetings. The mayor shall appoint a replacement member to serve for the remainder of the current term. No member may serve more than two full terms. A partial term shall not be considered a term."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Representative Hough offered **House Amendment No. 1 to House Amendment No. 6.**

House Amendment No. 1
to
House Amendment No. 6

AMEND House Amendment No. 6 to House Committee Substitute for Senate Bill No. 662, Page 3, Line 24, by inserting after all of said line the following:

"Further amend said bill, Page 2, Section 144.021, Line 29, by inserting after all of said section and line the following:

"144.1030. Notwithstanding the provisions of sections 144.010, 144.018, and 144.020 to the contrary, in the case of a multi-use arena that:

- (1) Is publicly owned, but operated under a contract with a private company;**
- (2) Was originally funded in a public-private partnership that included private investment of at least forty million dollars; and**
- (3) Is located in a home rule city with more than four hundred thousand inhabitants and located in more than one county;**

"sales at retail" shall not include the amount paid that results in the first opportunity to purchase or decline tickets for admission to events at such arena, but does not itself result in admission."; and"; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Hough, **House Amendment No. 1 to House Amendment No. 6** was adopted.

Representative Shumake offered **House Amendment No. 2 to House Amendment No. 6.**

House Amendment No. 2
to
House Amendment No. 6

AMEND House Amendment No. 6 to House Committee Substitute for Senate Bill No. 662, Page 3, Line 25, by inserting after all of said line the following:

"Further amend said bill, Page 2, Section 144.021, Line 29, by inserting after all of said line the following:

"144.030. 1. There is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and from the computation of the tax levied, assessed or payable pursuant to sections 144.010 to 144.525 such retail sales as may be made in commerce between this state and any other state of the United States, or between this state and any foreign country, and any retail sale which the state of Missouri is prohibited from taxing pursuant to the Constitution or laws of the United States of America, and such retail sales of tangible personal property which the general assembly of the state of Missouri is prohibited from taxing or further taxing by the constitution of this state.

2. There are also specifically exempted from the provisions of the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.761 and from the computation of the tax levied, assessed or payable pursuant to the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.745:

(1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of such excise tax is refunded pursuant to section 142.824; or upon the sale at retail of fuel to be consumed in manufacturing or creating gas, power, steam, electrical current or in furnishing water to be sold ultimately at retail; or feed for livestock or poultry; or grain to be converted into foodstuffs which are to be sold ultimately in processed form at retail; or seed, limestone or fertilizer which is to be used for seeding, liming or fertilizing crops which when harvested will be sold at retail or will be fed to livestock or poultry to be sold ultimately in processed form at retail; economic poisons registered pursuant to the provisions of the Missouri pesticide registration law (sections 281.220 to 281.310) which are to be used in connection with the growth or production of crops, fruit trees or orchards applied before, during, or after planting, the crop of which when harvested will be sold at retail or will be converted into foodstuffs which are to be sold ultimately in processed form at retail;

(2) Materials, manufactured goods, machinery and parts which when used in manufacturing, processing, compounding, mining, producing or fabricating become a component part or ingredient of the new personal property resulting from such manufacturing, processing, compounding, mining, producing or fabricating and which new personal property is intended to be sold ultimately for final use or consumption; and materials, including without limitation, gases and manufactured goods, including without limitation slagging materials and firebrick, which are ultimately consumed in the manufacturing process by blending, reacting or interacting with or by becoming, in whole or in part, component parts or ingredients of steel products intended to be sold ultimately for final use or consumption;

(3) Materials, replacement parts and equipment purchased for use directly upon, and for the repair and maintenance or manufacture of, motor vehicles, watercraft, railroad rolling stock or aircraft engaged as common carriers of persons or property;

(4) Motor vehicles registered in excess of fifty-four thousand pounds, and the trailers pulled by such motor vehicles, that are actually used in the normal course of business to haul property on the public highways of the state, and that are capable of hauling loads commensurate with the motor vehicle's registered weight; and the materials, replacement parts, and equipment purchased for use directly upon, and for the repair and maintenance or manufacture of such vehicles. For purposes of this subdivision "motor vehicle" and "public highway" shall have the meaning as ascribed in section 390.020;

(5) Replacement machinery, equipment, and parts and the materials and supplies solely required for the installation or construction of such replacement machinery, equipment, and parts, used directly in manufacturing, mining, fabricating or producing a product which is intended to be sold ultimately for final use or consumption; and machinery and equipment, and the materials and supplies required solely for the operation, installation or construction of such machinery and equipment, purchased and used to establish new, or to replace or expand existing, material recovery processing plants in this state. For the purposes of this subdivision, a "material recovery processing plant" means a facility that has as its primary purpose the recovery of materials into a useable product or a different form which is used in producing a new product and shall include a facility or equipment which are used exclusively for the collection of recovered materials for delivery to a material recovery processing plant but shall not include motor vehicles used on highways. For purposes of this section, the terms motor vehicle and highway shall have the same meaning pursuant to section 301.010. Material recovery is not the reuse of materials within a manufacturing process or the use of a product previously recovered. The material recovery processing plant shall qualify under the provisions of this section regardless of ownership of the material being recovered;

(6) Machinery and equipment, and parts and the materials and supplies solely required for the installation or construction of such machinery and equipment, purchased and used to establish new or to expand existing manufacturing, mining or fabricating plants in the state if such machinery and equipment is used directly in manufacturing, mining or fabricating a product which is intended to be sold ultimately for final use or consumption;

(7) Tangible personal property which is used exclusively in the manufacturing, processing, modification or assembling of products sold to the United States government or to any agency of the United States government;

(8) Animals or poultry used for breeding or feeding purposes, or captive wildlife;

(9) Newsprint, ink, computers, photosensitive paper and film, toner, printing plates and other machinery, equipment, replacement parts and supplies used in producing newspapers published for dissemination of news to the general public;

(10) The rentals of films, records or any type of sound or picture transcriptions for public commercial display;

(11) Pumping machinery and equipment used to propel products delivered by pipelines engaged as common carriers;

(12) Railroad rolling stock for use in transporting persons or property in interstate commerce and motor vehicles licensed for a gross weight of twenty-four thousand pounds or more or trailers used by common carriers, as defined in section 390.020, in the transportation of persons or property;

(13) Electrical energy used in the actual primary manufacture, processing, compounding, mining or producing of a product, or electrical energy used in the actual secondary processing or fabricating of the product, or a material recovery processing plant as defined in subdivision (5) of this subsection, in facilities owned or leased by the taxpayer, if the total cost of electrical energy so used exceeds ten percent of the total cost of production, either primary or secondary, exclusive of the cost of electrical energy so used or if the raw materials used in such processing contain at least twenty-five percent recovered materials as defined in section 260.200. There shall be a rebuttable presumption that the raw materials used in the primary manufacture of automobiles contain at least twenty-five percent recovered materials. For purposes of this subdivision, "processing" means any mode of treatment, act or series of acts performed upon materials to transform and reduce them to a different state or thing, including treatment necessary to maintain or preserve such processing by the producer at the production facility;

(14) Anodes which are used or consumed in manufacturing, processing, compounding, mining, producing or fabricating and which have a useful life of less than one year;

(15) Machinery, equipment, appliances and devices purchased or leased and used solely for the purpose of preventing, abating or monitoring air pollution, and materials and supplies solely required for the installation, construction or reconstruction of such machinery, equipment, appliances and devices;

(16) Machinery, equipment, appliances and devices purchased or leased and used solely for the purpose of preventing, abating or monitoring water pollution, and materials and supplies solely required for the installation, construction or reconstruction of such machinery, equipment, appliances and devices;

(17) Tangible personal property purchased by a rural water district;

(18) All amounts paid or charged for admission or participation or other fees paid by or other charges to individuals in or for any place of amusement, entertainment or recreation, games or athletic events, including museums, fairs, zoos and planetariums, owned or operated by a municipality or other political subdivision where all the proceeds derived therefrom benefit the municipality or other political subdivision and do not inure to any private person, firm, or corporation, provided, however, that a municipality or other political subdivision may enter into revenue-sharing agreements with private persons, firms, or corporations providing goods or services, including management services, in or for the place of amusement, entertainment or recreation, games or athletic events, and provided further that nothing in this subdivision shall exempt from tax any amounts retained by any private person, firm, or corporation under such revenue-sharing agreement;

(19) All sales of insulin and prosthetic or orthopedic devices as defined on January 1, 1980, by the federal Medicare program pursuant to Title XVIII of the Social Security Act of 1965, including the items specified in Section 1862(a)(12) of that act, and also specifically including hearing aids and hearing aid supplies and all sales of drugs which may be legally dispensed by a licensed pharmacist only upon a lawful prescription of a practitioner licensed to administer those items, including samples and materials used to manufacture samples which may be dispensed by a practitioner authorized to dispense such samples and all sales or rental of medical oxygen, home respiratory equipment and accessories, hospital beds and accessories and ambulatory aids, all sales or rental of manual and powered wheelchairs, stairway lifts, Braille writers, electronic Braille equipment and, if purchased or rented by or on behalf of a person with one or more physical or mental disabilities to enable them to function more independently, all sales or rental of scooters, reading machines, electronic print enlargers and magnifiers, electronic alternative and augmentative communication devices, and items used solely to modify motor vehicles to permit the use of such motor vehicles by individuals with disabilities or sales of over-the-counter or nonprescription drugs to individuals with disabilities, and drugs required by the Food and Drug Administration to meet the over-the-counter drug product labeling requirements in 21 CFR 201.66, or its successor, as prescribed by a health care practitioner licensed to prescribe;

(20) All sales made by or to religious and charitable organizations and institutions in their religious, charitable or educational functions and activities and all sales made by or to elementary and secondary schools operated at public expense in their educational functions and activities;

(21) All sales of aircraft to common carriers for storage or for use in interstate commerce and all sales made by or to not-for-profit civic, social, service or fraternal organizations, including fraternal organizations which have been declared tax-exempt organizations pursuant to Section 501(c)(8) or (10) of the 1986 Internal Revenue Code, as amended, in their civic or charitable functions and activities and all sales made to eleemosynary and penal institutions and industries of the state, **all sales made at a canteen or commissary established under sections 217.195 and 221.102,**

and all sales made to any private not-for-profit institution of higher education not otherwise excluded pursuant to subdivision (20) of this subsection or any institution of higher education supported by public funds, and all sales made to a state relief agency in the exercise of relief functions and activities;

(22) All ticket sales made by benevolent, scientific and educational associations which are formed to foster, encourage, and promote progress and improvement in the science of agriculture and in the raising and breeding of animals, and by nonprofit summer theater organizations if such organizations are exempt from federal tax pursuant to the provisions of the Internal Revenue Code and all admission charges and entry fees to the Missouri state fair or any fair conducted by a county agricultural and mechanical society organized and operated pursuant to sections 262.290 to 262.530;

(23) All sales made to any private not-for-profit elementary or secondary school, all sales of feed additives, medications or vaccines administered to livestock or poultry in the production of food or fiber, all sales of pesticides used in the production of crops, livestock or poultry for food or fiber, all sales of bedding used in the production of livestock or poultry for food or fiber, all sales of propane or natural gas, electricity or diesel fuel used exclusively for drying agricultural crops, natural gas used in the primary manufacture or processing of fuel ethanol as defined in section 142.028, natural gas, propane, and electricity used by an eligible new generation cooperative or an eligible new generation processing entity as defined in section 348.432, and all sales of farm machinery and equipment, other than airplanes, motor vehicles and trailers, and any freight charges on any exempt item. As used in this subdivision, the term "feed additives" means tangible personal property which, when mixed with feed for livestock or poultry, is to be used in the feeding of livestock or poultry. As used in this subdivision, the term "pesticides" includes adjuvants such as crop oils, surfactants, wetting agents and other assorted pesticide carriers used to improve or enhance the effect of a pesticide and the foam used to mark the application of pesticides and herbicides for the production of crops, livestock or poultry. As used in this subdivision, the term "farm machinery and equipment" means new or used farm tractors and such other new or used farm machinery and equipment and repair or replacement parts thereon and any accessories for and upgrades to such farm machinery and equipment, rotary mowers used exclusively for agricultural purposes, and supplies and lubricants used exclusively, solely, and directly for producing crops, raising and feeding livestock, fish, poultry, pheasants, chukar, quail, or for producing milk for ultimate sale at retail, including field drain tile, and one-half of each purchaser's purchase of diesel fuel therefor which is:

- (a) Used exclusively for agricultural purposes;
- (b) Used on land owned or leased for the purpose of producing farm products; and
- (c) Used directly in producing farm products to be sold ultimately in processed form or otherwise at retail or in producing farm products to be fed to livestock or poultry to be sold ultimately in processed form at retail;

(24) Except as otherwise provided in section 144.032, all sales of metered water service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil for domestic use and in any city not within a county, all sales of metered or unmetered water service for domestic use:

(a) "Domestic use" means that portion of metered water service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil, and in any city not within a county, metered or unmetered water service, which an individual occupant of a residential premises uses for nonbusiness, noncommercial or nonindustrial purposes. Utility service through a single or master meter for residential apartments or condominiums, including service for common areas and facilities and vacant units, shall be deemed to be for domestic use. Each seller shall establish and maintain a system whereby individual purchases are determined as exempt or nonexempt;

(b) Regulated utility sellers shall determine whether individual purchases are exempt or nonexempt based upon the seller's utility service rate classifications as contained in tariffs on file with and approved by the Missouri public service commission. Sales and purchases made pursuant to the rate classification "residential" and sales to and purchases made by or on behalf of the occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, shall be considered as sales made for domestic use and such sales shall be exempt from sales tax. Sellers shall charge sales tax upon the entire amount of purchases classified as nondomestic use. The seller's utility service rate classification and the provision of service thereunder shall be conclusive as to whether or not the utility must charge sales tax;

(c) Each person making domestic use purchases of services or property and who uses any portion of the services or property so purchased for a nondomestic use shall, by the fifteenth day of the fourth month following the year of purchase, and without assessment, notice or demand, file a return and pay sales tax on that portion of nondomestic purchases. Each person making nondomestic purchases of services or property and who uses any portion of the services or property so purchased for domestic use, and each person making domestic purchases on behalf of occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, under a nonresidential utility service rate classification may, between the first day of the first

month and the fifteenth day of the fourth month following the year of purchase, apply for credit or refund to the director of revenue and the director shall give credit or make refund for taxes paid on the domestic use portion of the purchase. The person making such purchases on behalf of occupants of residential apartments or condominiums shall have standing to apply to the director of revenue for such credit or refund;

(25) All sales of handicraft items made by the seller or the seller's spouse if the seller or the seller's spouse is at least sixty-five years of age, and if the total gross proceeds from such sales do not constitute a majority of the annual gross income of the seller;

(26) Excise taxes, collected on sales at retail, imposed by Sections 4041, 4061, 4071, 4081, 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director of revenue shall promulgate rules pursuant to chapter 536 to eliminate all state and local sales taxes on such excise taxes;

(27) Sales of fuel consumed or used in the operation of ships, barges, or waterborne vessels which are used primarily in or for the transportation of property or cargo, or the conveyance of persons for hire, on navigable rivers bordering on or located in part in this state, if such fuel is delivered by the seller to the purchaser's barge, ship, or waterborne vessel while it is afloat upon such river;

(28) All sales made to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections 238.010 to 238.100 in the exercise of the functions and activities of such agency as provided pursuant to the compact;

(29) Computers, computer software and computer security systems purchased for use by architectural or engineering firms headquartered in this state. For the purposes of this subdivision, "headquartered in this state" means the office for the administrative management of at least four integrated facilities operated by the taxpayer is located in the state of Missouri;

(30) All livestock sales when either the seller is engaged in the growing, producing or feeding of such livestock, or the seller is engaged in the business of buying and selling, bartering or leasing of such livestock;

(31) All sales of barges which are to be used primarily in the transportation of property or cargo on interstate waterways;

(32) Electrical energy or gas, whether natural, artificial or propane, water, or other utilities which are ultimately consumed in connection with the manufacturing of cellular glass products or in any material recovery processing plant as defined in subdivision (5) of this subsection;

(33) Notwithstanding other provisions of law to the contrary, all sales of pesticides or herbicides used in the production of crops, aquaculture, livestock or poultry;

(34) Tangible personal property and utilities purchased for use or consumption directly or exclusively in the research and development of agricultural/biotechnology and plant genomics products and prescription pharmaceuticals consumed by humans or animals;

(35) All sales of grain bins for storage of grain for resale;

(36) All sales of feed which are developed for and used in the feeding of pets owned by a commercial breeder when such sales are made to a commercial breeder, as defined in section 273.325, and licensed pursuant to sections 273.325 to 273.357;

(37) All purchases by a contractor on behalf of an entity located in another state, provided that the entity is authorized to issue a certificate of exemption for purchases to a contractor under the provisions of that state's laws. For purposes of this subdivision, the term "certificate of exemption" shall mean any document evidencing that the entity is exempt from sales and use taxes on purchases pursuant to the laws of the state in which the entity is located. Any contractor making purchases on behalf of such entity shall maintain a copy of the entity's exemption certificate as evidence of the exemption. If the exemption certificate issued by the exempt entity to the contractor is later determined by the director of revenue to be invalid for any reason and the contractor has accepted the certificate in good faith, neither the contractor or the exempt entity shall be liable for the payment of any taxes, interest and penalty due as the result of use of the invalid exemption certificate. Materials shall be exempt from all state and local sales and use taxes when purchased by a contractor for the purpose of fabricating tangible personal property which is used in fulfilling a contract for the purpose of constructing, repairing or remodeling facilities for the following:

(a) An exempt entity located in this state, if the entity is one of those entities able to issue project exemption certificates in accordance with the provisions of section 144.062; or

(b) An exempt entity located outside the state if the exempt entity is authorized to issue an exemption certificate to contractors in accordance with the provisions of that state's law and the applicable provisions of this section;

(38) All sales or other transfers of tangible personal property to a lessor who leases the property under a lease of one year or longer executed or in effect at the time of the sale or other transfer to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections 238.010 to 238.100;

(39) Sales of tickets to any collegiate athletic championship event that is held in a facility owned or operated by a governmental authority or commission, a quasi-governmental agency, a state university or college or by the state or any political subdivision thereof, including a municipality, and that is played on a neutral site and may reasonably be played at a site located outside the state of Missouri. For purposes of this subdivision, "neutral site" means any site that is not located on the campus of a conference member institution participating in the event;

(40) All purchases by a sports complex authority created under section 64.920, and all sales of utilities by such authority at the authority's cost that are consumed in connection with the operation of a sports complex leased to a professional sports team;

(41) Beginning January 1, 2009, but not after January 1, 2015, materials, replacement parts, and equipment purchased for use directly upon, and for the modification, replacement, repair, and maintenance of aircraft, aircraft power plants, and aircraft accessories;

(42) Sales of sporting clays, wobble, skeet, and trap targets to any shooting range or similar places of business for use in the normal course of business and money received by a shooting range or similar places of business from patrons and held by a shooting range or similar place of business for redistribution to patrons at the conclusion of a shooting event.

3. Any ruling, agreement, or contract, whether written or oral, express or implied, between a person and this state's executive branch, or any other state agency or department, stating, agreeing, or ruling that such person is not required to collect sales and use tax in this state despite the presence of a warehouse, distribution center, or fulfillment center in this state that is owned or operated by the person or an affiliated person shall be null and void unless it is specifically approved by a majority vote of each of the houses of the general assembly. For purposes of this subsection, an "affiliated person" means any person that is a member of the same controlled group of corporations as defined in Section 1563(a) of the Internal Revenue Code of 1986, as amended, as the vendor or any other entity that, notwithstanding its form of organization, bears the same ownership relationship to the vendor as a corporation that is a member of the same controlled group of corporations as defined in Section 1563(a) of the Internal Revenue Code, as amended."; and"; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Shumake, **House Amendment No. 2 to House Amendment No. 6** was adopted.

On motion of Representative Neth, **House Amendment No. 6, as amended**, was adopted.

Representative Korman offered **House Amendment No. 7**.

House Amendment No. 7

AMEND House Committee Substitute for Senate Bill No. 662, Page 1, Lines 2 and 3 of the title, by deleting the words "notice of sales tax modifications" and inserting in lieu thereof the words "sales and use tax"; and

Further amend said bill, Page 2, Section 144.021, Line 29, by inserting after said line the following:

"144.059. 1. As used in this section, the term "'Made in USA' product" means any new product that supports a claim to be made in the United States under the policy on "Made in USA" claims enforced by the Federal Trade Commission and that is not already exempt from state sales taxes under any provision of state law.

2. In each year beginning on or after January 1, 2015, but ending on or before December 31, 2016, retailers may specifically exempt from the state sales tax law all retail sales of any "Made in USA" product during a seven-day period beginning at 12:01 a.m. on July first and ending at midnight on July seventh, unless July first is a Sunday. If July first is a Sunday, the seven-day period shall begin on July second and end on July eighth. The exemption provided in this section shall apply only to the first fifteen thousand dollars of each purchase of a "Made in USA" product.

3. Any political subdivision may, by order or ordinance, allow the sales tax holiday established in this section to apply to its local sales taxes. A political subdivision shall notify the department of revenue not less than

forty-five calendar days before the beginning date of the sales tax holiday occurring in that year of any order or ordinance applying the sales tax holiday to its local sales taxes.

4. After adopting an order or ordinance to apply the sales tax holiday established in this section to the political subdivision's local sales taxes, a political subdivision may, by order or ordinance, rescind the order or ordinance applying the sales tax holiday to its local sales taxes. The political subdivision shall notify the department of revenue not less than forty-five calendar days before the beginning date of the sales tax holiday occurring in that year of any order or ordinance rescinding an order or ordinance to apply the sales tax holiday to its local sales taxes.

5. Retailers that do not participate in the sales tax holiday may offer department of revenue sales tax refund forms to consumers to file for refunds directly from the department of revenue or offer on-site sales tax refunds in lieu of participating in the sales tax holiday.

6. No sale of any motor vehicle, as defined in section 301.010, shall be exempt from any sales tax under this section.

7. No sale of dispensed fuel shall be exempt from any sales tax under this section."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Representative Jones (110) offered **House Substitute Amendment No. 1 for House Amendment No. 7.**

*House Substitute Amendment No. 1
for
House Amendment No. 7*

AMEND House Committee Substitute for Senate Bill No. 662, Page 2, Section 144.021, Line 29, by inserting after said line the following:

"144.059. 1. As used in this section, the term "'Made in USA' product" means any new product that supports a claim to be made in the United States under the policy on "Made in USA" claims enforced by the Federal Trade Commission and that is not already exempt from state sales taxes under any provision of state law.

2. In each year beginning on or after January 1, 2015, but ending on or before December 31, 2016, retailers may specifically exempt from the state sales tax law all retail sales of any "Made in USA" product during a seven-day period beginning at 12:01 a.m. on July first and ending at midnight on July seventh, unless July first is a Sunday. If July first is a Sunday, the seven-day period shall begin on July second and end on July eighth. The exemption provided in this section shall apply only to the first fifteen thousand dollars of each purchase of a "Made in USA" product.

3. Any political subdivision may, by order or ordinance, allow the sales tax holiday established in this section to apply to its local sales taxes. A political subdivision shall notify the department of revenue not less than forty-five calendar days before the beginning date of the sales tax holiday occurring in that year of any order or ordinance applying the sales tax holiday to its local sales taxes.

4. After adopting an order or ordinance to apply the sales tax holiday established in this section to the political subdivision's local sales taxes, a political subdivision may, by order or ordinance, rescind the order or ordinance applying the sales tax holiday to its local sales taxes. The political subdivision shall notify the department of revenue not less than forty-five calendar days before the beginning date of the sales tax holiday occurring in that year of any order or ordinance rescinding an order or ordinance to apply the sales tax holiday to its local sales taxes.

5. Retailers that do not participate in the sales tax holiday may offer department of revenue sales tax refund forms to consumers to file for refunds directly from the department of revenue or offer on-site sales tax refunds in lieu of participating in the sales tax holiday.

6. No sale of any motor vehicle, as defined in section 301.010, shall be exempt from any sales tax under this section.

7. No sale of dispensed fuel shall be exempt from any sales tax under this section."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Jones (110), **House Substitute Amendment No. 1 for House Amendment No. 7** was adopted.

Representative Flanigan offered **House Amendment No. 8**.

House Amendment No. 8

AMEND House Committee Substitute for Senate Bill No. 662, Page 1, in the title, Lines 2-3, by deleting the words, "notice of sales tax modifications" and inserting in lieu thereof the word "taxation"; and

Further amend said bill, page, Section A, Line 2, by inserting after all of said line and section the following:

"32.383. 1. Notwithstanding the provisions of any other law to the contrary, with respect to taxes administered by the department of revenue under this chapter and chapters 143, 144, and 147, an amnesty from the assessment or payment of all penalties, additions to tax, and interest shall apply with respect to unpaid taxes or taxes due and owing reported and paid in full from July 1, 2014, to September 30, 2014, regardless of whether previously assessed, except for penalties, additions to tax, and interest paid before July 1, 2014. The amnesty shall apply only to tax liabilities due or due but unpaid on or before December 31, 2013, and shall not extend to any taxpayer who at the time of payment is a party to any criminal investigations or to any civil or criminal litigation that is pending in any court of the United States or this state for nonpayment, delinquency, or fraud in relation to any state tax imposed by this state.

2. Upon written application by the taxpayer, on forms prescribed by the director of revenue, and upon compliance with the provisions of this section, the department of revenue shall not seek to collect any penalty, addition to tax, or interest that may be applicable. The department of revenue shall not seek civil or criminal prosecution for any taxpayer for the taxable period for which the amnesty has been granted unless subsequent investigation or audit shows that the taxpayer engaged in fraudulent or criminal conduct in applying for amnesty.

3. Amnesty shall be granted only to those taxpayers who have applied for amnesty within the period stated in this section, who have filed a tax return for each taxable period for which amnesty is requested, who have paid the entire balance by September 30, 2014, and who agree to comply with state tax laws for the next eight years from the date of the agreement. No taxpayer shall be entitled to a waiver of any penalty, addition to tax, or interest under this section unless full payment of the tax due is made in accordance with rules established by the director of revenue.

4. All taxpayers granted amnesty under this section shall in good faith comply with this state's tax laws for the eight years following the date of the amnesty agreement. If any such taxpayer fails to comply with all of this state's tax laws at any time during the eight years following the date of the agreement, all penalties, additions to tax, and interest that were waived under the amnesty agreement shall become due and owing immediately.

5. If a taxpayer is granted amnesty under this section, such taxpayer shall not be eligible to participate in any future amnesty for the same tax.

6. If a taxpayer elects to participate in the amnesty program established in this section as evidenced by full payment of the tax due as established by the director of revenue, that election shall constitute an express and absolute relinquishment of all administrative and judicial rights of appeal. No tax payment received under this section shall be eligible for refund or credit.

7. Nothing in this section shall be interpreted to disallow the department of revenue to adjust a taxpayer's tax return as a result of any state or federal audit.

8. All tax payments received as a result of the amnesty program established in this section, other than revenues earmarked by the Constitution of Missouri or this state's statutes, shall be deposited in the state general revenue fund.

9. The department may promulgate rules or issue administrative guidelines as are necessary to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly under chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after July 1, 2014, shall be invalid and void.

10. This section shall become effective on July 1, 2014, and shall expire on December 31, 2022.

11. If any provision of this section or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this section which can be given effect without the invalid provision or application, and to this end the provisions of this section are severable."; and

Further amend said bill, Page 2, Section 144.021, Line 29, by inserting after all of said section and line the following:

"Section B. Because immediate action is necessary to secure adequate state revenue, the enactment of section 32.383 is deemed necessary for the immediate preservation of the public health, welfare, peace, and safety, and the enactment of section 32.383 is hereby declared to be an emergency act within the meaning of the constitution, and the enactment of section 32.383 shall be in full force and effect on July 1, 2014, or upon its passage and approval, whichever occurs later."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Flanigan, **House Amendment No. 8** was adopted.

On motion of Representative Koenig, **HCS SB 662, as amended**, was adopted.

On motion of Representative Koenig, **HCS SB 662, as amended**, was read the third time and passed by the following vote:

AYES: 086

Anderson	Austin	Bahr	Bames	Bemskoetter
Black	Brattin	Brown	Burlison	Cookson
Cox	Crawford	Cross	Curtis	Curtman
Davis	Diehl	Dugger	Elmer	Engler
Englund	Entlicher	Fitzpatrick	Fitzwater	Flanigan
Fraker	Frame	Franklin	Frederick	Funderburk
Gannon	Gatschenberger	Gosen	Grisamore	Guemsey
Haahr	Hansen	Harris	Hicks	Higdon
Hinson	Hoskins	Hough	Houghton	Hubbard
Keeney	Kelley 127	Kelly 45	Koenig	Kolkmeier
Korman	Lair	Lant	Lauer	Lichtenegger
Lynch	McGaugh	Messenger	Miller	Morris
Muntzel	Neely	Neth	Norr	Pfautsch
Phillips	Pike	Rehder	Reiboldt	Remole
Rhoads	Richardson	Riddle	Roorda	Ross
Rowland	Scharnhorst	Schatz	Shull	Shumake
Spencer	Swan	Walker	White	Wieland
Mr. Speaker				

NOES: 061

Allen	Anders	Berry	Burns	Butler
Carpenter	Colona	Conway 10	Conway 104	Comejo

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Dohrman	Dunn	Ellington	Gardner	Haefner
Hampton	Hummel	Hurst	Johnson	Justus
Kirkton	Kratky	LaFaver	Marshall	Mayfield
McCaherty	McCann Beatty	McDonald	McKenna	McManus
McNeil	Meredith	Mims	Mitten	Montecillo
Moon	Newman	Nichols	Otto	Pace
Pierson	Pogue	Redmon	Rizzo	Rowden
Runions	Schieber	Schieffer	Schupp	Smith
Solon	Sommer	Stream	Swearingen	Thomson
Torpey	Walton Gray	Wilson	Wood	Wright
Zerr				

PRESENT: 000

ABSENT WITH LEAVE: 012

Cierpiot	English	Hodges	Jones 50	Leara
Love	May	Molendorp	Morgan	Parkinson
Peters	Webber			

VACANCIES: 004

Speaker Pro Tem Hoskins declared the bill passed.

The emergency clause was adopted by the following vote:

AYES: 131

Allen	Anders	Anderson	Austin	Bahr
Barnes	Bernskoetter	Black	Brown	Burlison
Bums	Butler	Carpenter	Colona	Conway 10
Conway 104	Comejo	Cox	Crawford	Cross
Curtis	Davis	Diehl	Dugger	Dunn
Elmer	Engler	Englund	Entlicher	Fitzpatrick
Fitzwater	Flanigan	Fraker	Frame	Franklin
Frederick	Gannon	Gatschenberger	Gosen	Grisamore
Guemsey	Haahr	Haefner	Hampton	Hansen
Harris	Hicks	Higdon	Hinson	Hoskins
Hough	Houghton	Hubbard	Hummel	Hurst
Johnson	Jones 50	Justus	Keeney	Kelley 127
Kelly 45	Koenig	Kolkmeier	Korman	Kratky
LaFaver	Lair	Lant	Lauer	Leara
Lichtenegger	Love	Lynch	Mayfield	McCaherty
McCann Beatty	McGaugh	McManus	Meredith	Messenger
Miller	Mims	Mitten	Montecillo	Monis
Muntzel	Neely	Neth	Nichols	Norr
Pace	Pfautsch	Phillips	Pierson	Pike
Redmon	Rehder	Reiboldt	Remole	Rhoads
Richardson	Riddle	Rizzo	Roorda	Ross
Rowden	Rowland	Runions	Schamhorst	Schatz
Schieffer	Schupp	Shull	Shumake	Smith
Solon	Sommer	Spencer	Stream	Swan
Swearingen	Thomson	Walker	Walton Gray	Webber
White	Wieland	Wood	Wright	Zerr
Mr. Speaker				

NOES: 017

Berry	Brattin	Dohrman	Ellington	Gardner
Kirkton	Marshall	McDonald	McKenna	McNeil
Moon	Newman	Otto	Parkinson	Pogue
Schieber	Wilson			

PRESENT: 000

ABSENT WITH LEAVE: 011

Cierpiot	Cookson	Curtman	English	Funderburk
Hodges	May	Molendorp	Morgan	Peters
Torpey				

VACANCIES: 004

HCS SB 614, relating to judicial personnel, was taken up by Representative Cox.

Representative Austin offered **House Amendment No. 1**.

House Amendment No. 1

AMEND House Committee Substitute for Senate Bill No. 614, Page 2, Section 477.180, Line 2, by inserting after all of said section and line the following:

"478.320. 1. In counties having a population of thirty thousand or less, there shall be one associate circuit judge. In counties having a population of more than thirty thousand and less than one hundred thousand, there shall be two associate circuit judges. In counties having a population of one hundred thousand or more, there shall be three associate circuit judges and one additional associate circuit judge for each additional one hundred thousand inhabitants.

2. [When the office of state courts administrator indicates in an annual judicial weighted workload model for three consecutive years or more the need for four or more full-time judicial positions in any judicial circuit having a population of one hundred thousand or more, there shall be one additional associate circuit judge position in such circuit for every four full-time judicial positions needed as indicated in the weighted workload model. In a multicounty circuit, the additional associate circuit judge positions shall be apportioned among the counties in the circuit on the basis of population, starting with the most populous county, then the next most populous county, and so forth.

3.] For purposes of this section, notwithstanding the provisions of section 1.100, population of a county shall be determined on the basis of the last previous decennial census of the United States; and, beginning after certification of the year 2000 decennial census, on the basis of annual population estimates prepared by the United States Bureau of the Census, provided that the number of associate circuit judge positions in a county shall be adjusted only after population estimates for three consecutive years indicate population change in the county to a level provided by subsection 1 of this section.

[4.] 3. Except in circuits where associate circuit judges are selected under the provisions of Sections 25(a) to (g) of Article V of the constitution, the election of associate circuit judges shall in all respects be conducted as other elections and the returns made as for other officers.

[5.] 4. In counties not subject to Sections 25(a) to (g) of Article V of the constitution, associate circuit judges shall be elected by the county at large.

[6.] 5. No associate circuit judge shall practice law, or do a law business, nor shall he or she accept, during his or her term of office, any public appointment for which he or she receives compensation for his or her services.

[7.] 6. No person shall be elected as an associate circuit judge unless he or she has resided in the county for which he or she is to be elected at least one year prior to the date of his or her election; provided that, a person who is appointed by the governor to fill a vacancy may file for election and be elected notwithstanding the provisions of this subsection.

478.437. 1. The circuit court of the county of St. Louis, comprising circuit number twenty-one, shall be composed of nineteen divisions and nineteen judges and each of the judges shall separately try causes, exercise the powers and perform all the duties imposed upon circuit judges.

2. Notwithstanding the provisions of section 478.320 to the contrary, if the circuit court of St. Louis County is awarded additional associate circuit judge positions in 2014 in accordance with subsections 1 and 2 of section 478.320, there shall be one additional associate circuit judge position and one additional circuit judge position in lieu of the additional associate circuit judge positions awarded under subsections 1 and 2 of section 478.320.

478.464. [1.] In the sixteenth judicial circuit, [associate circuit divisions shall hereafter be numbered beginning with the number 25:

- (1) Division 101 shall hereafter be division 25;
- (2) Division 102 shall hereafter be division 26;
- (3) Division 103 shall hereafter be division 27;
- (4) Division 104 shall hereafter be division 28;
- (5) Division 105 shall hereafter be division 29;
- (6) Division 106 shall hereafter be division 30;
- (7) Division 107 shall hereafter be division 31; and
- (8) Division 108 shall hereafter be division 32.

2. Twelve months after construction of two new courtrooms in Independence is completed, there shall be one additional associate circuit judge in the sixteenth judicial circuit, to be known as division 33. The presiding judge of such circuit shall certify to the state of administration office the actual date of completion of said construction.

3.] there shall be ten associate circuit judges. These judges shall sit in ten divisions, which shall be numbered beginning with the number 25. Divisions 25, 26, 27, 29, and 31 shall sit in Kansas City and divisions 28, 30, 32, and 33 shall sit in Independence. Division 34 shall sit in the location determined by the court en banc. The tenth associate circuit judgeship shall not be included in the statutory formula for authorizing additional associate circuit judgeships per county under section 478.320.

478.513. 1. There shall be five circuit judges in the thirty-first judicial circuit [consisting of the county of Greene]. These judges shall sit in divisions numbered one, two, three, four and five.

2. The circuit judge in division three shall be elected in 1980. The circuit judges in divisions one, four and five shall be elected in 1982. The circuit judge in division two shall be elected in 1984.

3. Beginning in fiscal year 2015, there shall be one additional associate circuit judge in the thirty-first judicial circuit, and there shall continue to be the associate judge position authorized in fiscal year 2014. Neither associate circuit judgeship shall be included in the statutory formula for authorizing additional associate circuit judgeships per county under section 478.320.

478.600. 1. There shall be four circuit judges in the eleventh judicial circuit [consisting of the county of St. Charles]. These judges shall sit in divisions numbered one, two, three and four. Beginning on January 1, 2007, there shall be six circuit judges in the eleventh judicial circuit and these judges shall sit in divisions numbered one, two, three, four, five, and seven. The division five associate circuit judge position and the division seven associate circuit judge position shall become circuit judge positions beginning January 1, 2007, and shall be numbered as divisions five and seven.

2. The circuit judge in division two shall be elected in 1980. The circuit judge in division four shall be elected in 1982. The circuit judge in division one shall be elected in 1984. The circuit judge in division three shall be elected in 1992. The circuit judges in divisions five and seven shall be elected for a six-year term in 2006.

3. Beginning January 1, 2007, the family court commissioner positions in the eleventh judicial circuit appointed under section 487.020 shall become associate circuit judge positions in all respects and shall be designated as divisions nine and ten respectively. These positions may retain the duties and responsibilities with regard to the family court. The associate circuit judges in divisions nine and ten shall be elected in 2006 for full four-year terms.

4. Beginning on January 1, 2007, the drug court commissioner position in the eleventh judicial circuit appointed under section 478.003 shall become an associate circuit judge position in all respects and shall be designated as division eleven. This position retains the duties and responsibilities with regard to the drug court. Such associate circuit judge shall be elected in 2006 for a full four-year term. This associate circuit judgeship shall not be included in the statutory formula for authorizing additional associate circuit judgeships per county under section 478.320.

5. Beginning in fiscal year 2015, there shall be one additional associate circuit judge position in the eleventh judicial circuit. The associate circuit judge shall be elected in 2016, and such judicial position shall not be considered vacant or filled until January 1, 2017. This associate circuit judgeship shall not be included in the statutory formula for authorizing additional circuit judgeships per county under section 478.320.

478.740. Notwithstanding the provisions of section 478.320 to the contrary, if the thirty-eighth judicial circuit is awarded an additional associate circuit judge position in 2014 in accordance with subsections 1 and 2 of section 478.320, there shall be one additional circuit judge position in lieu of the additional associate circuit judge position awarded under subsections 1 and 2 of section 478.320. Such additional circuit judge position shall be in addition to the number of circuit judge and associate judge positions in existence in the thirty-eight judicial circuit on the effective date of this section."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Austin, **House Amendment No. 1** was adopted.

Representative Jones (50) offered **House Amendment No. 2**.

House Amendment No. 2

AMEND House Committee Substitute for Senate Bill No. 614, Page 1, in the title, Line 4, by deleting the word "personnel" and inserting in lieu thereof the word "procedures"; and

Further amend said bill, Page 2, Section 477.180, Line 2, by inserting after all of said section and line the following:

"Section 1. All courts that require mandatory e-filing must accept, file, and docket a notice of entry of appearance filed by an attorney that was sent by fax or regular mail."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Jones (50), **House Amendment No. 2** was adopted.

Representative Webber offered **House Amendment No. 3**.

House Amendment No. 3

AMEND House Committee Substitute for Senate Bill No. 614, Page 2, Section 477.180, Line 2, by inserting after all of said section and line the following:

"512.180. 1. Any person aggrieved by a judgment in a civil case tried without a jury before an associate circuit judge, other than an associate circuit judge sitting in the probate division or who has been assigned to hear the case on the record under procedures applicable before circuit judges, shall have the right of a trial de novo in all cases tried before municipal court or under the provisions of [chapters] **chapter 482**, 534, and 535].

2. In all other contested civil cases tried with or without a jury before an associate circuit judge or on assignment under such procedures applicable before circuit judges or in any misdemeanor case or county ordinance violation case a record shall be kept, and any person aggrieved by a judgment rendered in any such case may have an appeal upon that record to the appropriate appellate court. At the discretion of the judge, but in compliance with the rules of the supreme court, the record may be a stenographic record or one made by the utilization of electronic, magnetic, or mechanical sound or video recording devices.

534.060. Forcible entries and detainers, and unlawful detainers, may be heard and determined by any associate circuit judge of the county in which they are committed. Neither the provisions of this section or any other section in this chapter shall preclude adoption of a local circuit court rule providing for the centralized filing of such cases, nor the assignment of such cases to particular associate circuit or circuit judges pursuant to local circuit court rule or action by the presiding judge of the circuit. Such cases shall be heard and determined by associate circuit judges unless a circuit judge is transferred or assigned to hear such case or cases or unless the plaintiff pursuant to subsection 2 of section 478.250 has designated the case as one to be heard under the practice and procedure applicable before circuit judges [and the case is heard by a circuit judge. If the case is heard before an associate circuit judge who has not been specially assigned to hear the case on the record]. **All cases under this chapter shall be heard on the record. Unless the plaintiff under subsection 2 of section 478.250 has designated the case as one to be heard under the practice and procedure applicable before circuit judges, to the extent practice and procedure are not provided in this chapter the practice and procedure provided in chapter 517 shall apply.** If the [case is heard initially before an associate circuit judge who has been specially assigned to hear the case on a record or before a circuit judge, the case shall be heard and determined under the same practice and procedure as would apply if the case was being heard upon an application for trial de novo, and in such instances, notwithstanding the specific references to chapter 517 in this chapter,] **plaintiff under subsection 2 of section 478.250 has designated the case as one to be heard under the practice and procedure applicable before circuit judges, the case shall be heard and determined under the rules of practice and procedure provided in the Missouri Rules of Civil Procedure [and the extant provisions of The Civil Code of Missouri shall apply] instead of those contained in chapter 517, notwithstanding the specific references to chapter 517 in this chapter.**

534.350. The judge rendering judgment in any such cause may issue execution at any time after judgment, but such execution shall not be levied until after the expiration of the time allowed for [the filing of an application for trial de novo or] the taking of an appeal, except as in the next succeeding section is provided.

534.360. If it shall appear to the officer having charge of the execution that the defendant therein is about to remove, conceal or dispose of his property, so as to hinder or delay the levy, the rents and profits, damages and costs may be levied before the expiration of the time allowed for [the filing of an application for a trial de novo or] taking an appeal.

534.380. Applications for [trials de novo and] appeals shall be allowed and conducted in the manner provided [in chapter 512] **by the Missouri Rules of Civil Procedure.** Application for [a trial de novo or] appeal shall not stay execution for restitution of the premises unless the defendant gives bond within the time for appeal. The bond shall be for the amount of the judgment and with the condition to stay waste and to pay all subsequently accruing rent, if any, into court within ten days after it becomes due, pending determination of the [trial de novo or] appeal, subject to the judge's discretion. However, in any case in which the defendant receives a reduction in rent due to a local, state or federal subsidy program, the amount of the bond shall be reduced by the amount of said subsidy. Execution other than for restitution shall be stayed if the defendant files a bond in the proper amount at such time as otherwise provided by law.

535.030. 1. Such summons shall be served as in other civil cases at least four days before the court date in the summons. The summons shall include a court date which shall not be more than twenty-one business days from the date the summons is issued unless at the time of filing the affidavit the plaintiff or plaintiff's attorney consents in writing to a later date.

2. In addition to attempted personal service, the plaintiff may request, and thereupon the clerk of the court shall make an order directing that the officer, or other person empowered to execute the summons, shall also serve the same by securely affixing a copy of such summons and the complaint in a conspicuous place on the dwelling of the premises in question at least ten days before the court date in such summons, and by also mailing a copy of the summons and complaint to the defendant at the defendant's last known address by ordinary mail at least ten days before the court date. If the officer, or other person empowered to execute the summons, shall return that the defendant is not found, or that the defendant has absconded or vacated his or her usual place of abode in this state, and if proof be made by affidavit of the posting and of the mailing of a copy of the summons and complaint, the judge shall at the request of the plaintiff proceed to hear the case as if there had been personal service, and judgment shall be rendered and proceedings had as in other cases, except that no money judgment shall be granted the plaintiff where the defendant is in default and service is by the posting and mailing procedure set forth in this section.

3. If the plaintiff does not request service of the original summons by posting and mailing as provided in subsection 2 of this section, and if the officer, or other person empowered to execute the summons, makes return that the defendant is not found, or that the defendant has absconded or vacated the defendant's usual place of abode in this

state, the plaintiff may request the issuance of an alias summons and service of the same by posting and mailing in the time and manner provided in subsection 2 of this section. In addition, the plaintiff or an agent of the plaintiff who is at least eighteen years of age may serve the summons by posting and mailing a copy of the summons in the time and manner provided in subsection 2 of this section. Upon proof by affidavit of the posting and of the mailing of a copy of the summons or alias summons and the complaint, the judge shall proceed to hear the case as if there had been personal service, and judgment shall be rendered and proceedings had as in other cases, except that no money judgment shall be granted the plaintiff where the defendant is in default and service is by the posting and mailing procedure provided in subsection 2 of this section.

4. On the date judgment is rendered as provided in this section where the defendant is in default, the clerk of the court shall mail to the defendant at the defendant's last known address by ordinary mail a notice informing the defendant of the judgment and the date it was entered, and stating that the defendant has ten days from the date of the judgment to file a motion to set aside the judgment [or to file an application for a trial de novo] in the circuit court, as the case may be, and that unless the judgment is set aside [or an application for a trial de novo is filed] within ten days, the judgment will become final and the defendant will be subject to eviction from the premises without further notice.

535.110. Applications for [trials de novo and] appeals shall be allowed and conducted in the manner provided [in chapter 512] **by the Missouri Rules of Civil Procedure**; but no application for [a trial de novo or] **an** appeal shall stay execution unless the defendant give bond, with security sufficient to secure the payment of all damages, costs and rent then due, and with condition to stay waste and to pay all subsequently accruing rent, if any, into court within ten days after it becomes due, pending determination of the [trial de novo or] appeal.

535.160. If the defendant, on the date any money judgment is given in any action pursuant to this chapter, either tenders to the landlord, or brings into the court where the suit is pending, all the rent then in arrears, and all the costs, further proceedings in the action shall cease and be stayed. If on any date after the date of any original trial [but before any trial de novo] the defendant shall satisfy such money judgment and pay all costs, any execution for possession of the subject premises shall cease and be stayed; except that the landlord shall not thereby be precluded from making application for appeal from such money judgment. If for any reason no money judgment is entered against the defendant and judgment for the plaintiff is limited only to possession of the subject premises, no stay of execution shall be had, except as provided by the provisions of section 535.110 or the rules of civil procedure or by agreement of the parties.

535.170. After the execution of any judgment for possession pursuant to this chapter, the lessee and the lessee's assignees, and all other persons deriving title under the lease from such lessee, shall be barred from reentry of such premises and from all relief, and except for error in the record or proceedings, the landlord shall from that day hold the demised premises discharged from the lease. Nothing in this section shall preclude an aggrieved party from perfecting an appeal [or securing a trial de novo] as to any judgment rendered, and may as a result of such appeal [or trial de novo] recover any damage incurred, including damages incurred from an unlawful dispossession.

535.200. 1. In the twenty-second judicial circuit, upon adoption of an ordinance by the city of St. Louis providing for expenditure of city funds for such purpose, a majority of the circuit judges, en banc, may establish a landlord-tenant court, which shall be a division of the circuit court, and may authorize the appointment of not more than two landlord-tenant court commissioners. The landlord-tenant court commissioners shall be appointed by a landlord-tenant court judicial commission consisting of the presiding judge of the circuit, who shall be the chair, one circuit judge elected by the circuit judges, one associate circuit judge elected by the associate circuit judges of the circuit, and two members appointed by the mayor of the city of St. Louis, each of whom shall represent one of the two political parties casting the highest number of votes at the next preceding gubernatorial election. The procedures and operations of the landlord-tenant court judicial commission shall be established by circuit court rule.

2. Landlord-tenant commissioners may be authorized to hear in the first instance disputes involving landlords and their tenants. Landlord-tenant commissioners shall be authorized to make findings of fact and conclusions of law, and to issue orders for the payment of money, for the giving or taking of possession of residential property and any other equitable relief necessary to resolve disputes governed by the laws in chapters 441, 524, 534, and this chapter. Landlord-tenant commissioners may not, by *ex parte* means, hear cases and issue orders.

3. Landlord-tenant commissioners shall be licensed to practice law in this state and shall serve at the pleasure of a majority of the circuit and associate circuit judges, en banc, and shall be residents of the city of St. Louis, and shall receive as annual compensation an amount equal to one-third of the annual compensation of an associate circuit judge. Landlord-tenant commissioners shall not accept or handle cases in their practice of law which are inconsistent with their

duties as a landlord-tenant commissioner and shall not be a judge or prosecutor for any other court. Landlord-tenant commissioners shall not be considered state employees and shall not be members of the state employees' or judicial retirement system or be eligible to receive any other employment benefit accorded state employees or judges.

4. A majority of the judges of the circuit, en banc, shall establish operating procedures for the landlord-tenant court. Proceedings in the landlord-tenant court shall be conducted as in cases tried before an associate circuit judge. The hearing shall be before a landlord-tenant commissioner without jury, and the commissioner shall assume an affirmative duty to determine the merits of the evidence presented and the defenses of the defendant and may question parties and witnesses. Clerks and computer personnel shall be assigned as needed for the efficient operation of the court.

5. The parties to a cause of action before a commissioner of the landlord-tenant court are entitled to file with the court a motion for a hearing in associate circuit court within ten days after the mailing, or within ten days after service.

6. Operating procedures shall be provided for electronic recording of proceedings at city expense. Any person aggrieved by a judgment in a case decided under this section shall have a right to [a trial de novo in circuit court, or] an appeal to the appropriate appellate court, in the same manner as would a person aggrieved by a decision of an associate circuit judge under section 535.110. The procedures for perfecting the right of [a trial de novo or] an appeal shall be the same as that provided pursuant to sections 512.180 to 512.320.

7. Any summons issued for the proceedings in the landlord-tenant court shall have a return date of ten days. The sheriff must attempt to serve any summons within four days of the date of issuance.

8. All costs to establish and operate a landlord-tenant court under this section shall be borne by the city of St. Louis.

535.210. 1. In the sixteenth judicial circuit, upon adoption of an ordinance by Jackson County providing for expenditure of county funds for such purpose, a majority of the circuit court judges, en banc, may establish a landlord-tenant court, which shall be a division of the circuit court, and may authorize the appointment of not more than two landlord-tenant court commissioners. The landlord-tenant court commissioners shall be appointed by a landlord-tenant court judicial commission consisting of the presiding judge of the circuit, who shall be the chair, one circuit judge elected by the circuit judges, one associate circuit judge elected by the associate circuit judges of the circuit, and two members appointed by the county executive of Jackson County, each of whom shall represent one of the two political parties casting the highest number of votes at the next preceding gubernatorial election. The procedures and operations of the landlord-tenant court judicial commission shall be established by circuit court rule.

2. Landlord-tenant commissioners may be authorized to hear in the first instance disputes involving landlords and their tenants. Landlord-tenant commissioners shall be authorized to make findings of fact and conclusions of law, and to issue orders for the payment of money, for the giving or taking of possession of residential property and any other equitable relief necessary to resolve disputes governed by the laws in chapters 441, 524, 534, and this chapter. Landlord-tenant commissioners may not, by ex parte means, hear cases and issue orders.

3. Landlord-tenant commissioners shall be licensed to practice law in this state and shall serve at the pleasure of a majority of the circuit and associate circuit judges, en banc, and shall be residents of Jackson County, and shall receive as annual compensation an amount equal to one-third of the annual compensation of an associate circuit judge. Landlord-tenant commissioners shall not accept or handle cases in their practice of law which are inconsistent with their duties as a landlord-tenant commissioner and shall not be a judge or prosecutor for any other court. Landlord-tenant commissioners shall not be considered state employees and shall not be members of the state employees' or judicial retirement system or be eligible to receive any other employment benefit accorded state employees or judges.

4. A majority of the judges of the circuit court, en banc, shall establish operating procedures for the landlord-tenant court. Proceedings in the landlord-tenant court, shall be conducted as in cases tried before an associate circuit judge. The hearing shall be before a landlord-tenant commissioner without jury, and the commissioner shall assume an affirmative duty to determine the merits of the evidence presented and the defenses of the defendant and may question parties and witnesses. Clerks and computer personnel shall be assigned as needed for the efficient operation of the court.

5. The parties to a cause of action before a commissioner of the landlord-tenant court are entitled to file with the court a motion for a hearing in associate circuit court within ten days after the mailing, or within ten days after service.

6. Operating procedures shall be provided for electronic recording of proceedings at county expense. Any person aggrieved by a judgment in a case decided under this section shall have a right to [a trial de novo in circuit court, or] an appeal to the appropriate appellate court, in the same manner as would a person aggrieved by a decision of an associate circuit judge under section 535.110. The procedures for perfecting the right of [a trial de novo or] an appeal shall be the same as that provided pursuant to sections 512.180 to 512.320.

7. Any summons issued for the proceedings in the landlord-tenant court shall have a return date of ten days from the date of service. [The sheriff] **Service** must [attempt to serve any summons] **be attempted** within four days of the date of issuance.

8. All costs to establish and operate a landlord-tenant court under this section shall be borne by Jackson County."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Representative Austin raised a point of order that **House Amendment No. 3** goes beyond the scope of the bill.

The Chair ruled the point of order not well taken.

On motion of Representative Webber, **House Amendment No. 3** was adopted.

On motion of Representative Cox, **HCS SB 614, as amended**, was adopted.

On motion of Representative Cox, **HCS SB 614, as amended**, was read the third time and passed by the following vote:

AYES: 143

Allen	Anders	Anderson	Austin	Bahr
Barnes	Bemskoetter	Berry	Black	Brattin
Brown	Burlison	Burns	Butler	Carpenter
Cierpiot	Colona	Conway 10	Conway 104	Cookson
Comejo	Cox	Crawford	Cross	Curtis
Davis	Diehl	Dohrman	Dugger	Dunn
Engler	Englund	Entlicher	Fitzpatrick	Fitzwater
Flanigan	Fraker	Frame	Franklin	Frederick
Funderburk	Gannon	Gatschenberger	Gosen	Guemsey
Haahr	Haefner	Hampton	Hansen	Harris
Hicks	Higdon	Hinson	Hoskins	Hough
Houghton	Hubbard	Hummel	Hurst	Johnson
Jones 50	Justus	Keeney	Kelley 127	Kelly 45
Kirkton	Koenig	Kolkmeier	Korman	Kratky
LaFaver	Lair	Lant	Lauer	Lichtenegger
Love	Lynch	Marshall	Mayfield	McCaherty
McCann Beatty	McDonald	McGaugh	McKenna	McManus
McNeil	Meredith	Messenger	Miller	Mims
Mitten	Montecillo	Moon	Morris	Muntzel
Neely	Newman	Nichols	Norr	Otto
Pace	Parkinson	Pfautsch	Phillips	Pierson
Pike	Redmon	Rehder	Reiboldt	Remole
Rhoads	Richardson	Riddle	Rizzo	Roorda
Ross	Rowden	Rowland	Runions	Schamhorst
Schatz	Schieber	Schieffer	Schupp	Shull
Shumake	Solon	Sommer	Spencer	Stream
Swan	Swearingen	Thomson	Walker	Walton Gray
Webber	White	Wieland	Wilson	Wood
Wright	Zerr	Mr. Speaker		

NOES: 004

Ellington Gardner Pogue Smith

PRESENT: 001

Elmer

ABSENT WITH LEAVE: 011

Curtman English Grisamore Hodges Leara
May Molendorp Morgan Neth Peters
Torpey

VACANCIES: 004

Speaker Pro Tem Hoskins declared the bill passed.

THIRD READING OF SENATE JOINT RESOLUTIONS

SCS SJR 36, relating to the right of Missouri citizens to keep and bear arms, was taken up by Representative Diehl.

Representative Diehl offered **House Amendment No. 1**.

House Amendment No. 1

AMEND Senate Committee Substitute for Senate Joint Resolution No. 36, Page 2, Section 23, Lines 11 and 12, by deleting all of said lines and inserting in lieu thereof the following:

"the rights of convicted violent felons or those adjudicated by a court to be a danger to self or others as result of a mental disorder or mental infirmity."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Diehl, **House Amendment No. 1** was adopted.

Representative Diehl moved the previous question.

Which motion was adopted by the following vote:

AYES: 098

Allen	Anderson	Austin	Bahr	Bames
Bernskoetter	Berry	Brattin	Brown	Burlison
Cierpiot	Conway 104	Cookson	Comejo	Cox
Crawford	Cross	Curtman	Davis	Diehl
Dohrman	Dugger	Elmer	Engler	Entlicher
Fitzpatrick	Flanigan	Fraker	Franklin	Frederick
Gannon	Gatschenberger	Gosen	Guernsey	Haahr
Haefner	Hampton	Hansen	Hicks	Higdon
Hoskins	Houghton	Hurst	Johnson	Justus
Keeney	Kelley 127	Koenig	Kolkmeier	Korman

Lair	Lant	Lauer	Lichtenegger	Love
Lynch	Marshall	McCaherty	McGaugh	Messenger
Miller	Moon	Morris	Muntzel	Neely
Parkinson	Pfautsch	Phillips	Pike	Pogue
Redmon	Rehder	Remole	Rhoads	Richardson
Riddle	Ross	Rowden	Rowland	Schamhorst
Schatz	Schieber	Shull	Shumake	Solon
Sommer	Spencer	Stream	Swan	Thomson
Torpey	Walker	White	Wieland	Wilson
Wood	Zerr	Mr. Speaker		

NOES: 044

Anders	Black	Burns	Butler	Carpenter
Colona	Conway 10	Curtis	Dunn	Ellington
Englund	Frame	Gardner	Harris	Hubbard
Hummel	Kelly 45	Kirkton	Kratky	LaFaver
Mayfield	McCann Beatty	McDonald	McKenna	McNeil
Meredith	Mims	Mitten	Montecillo	Newman
Nichols	Norr	Otto	Pace	Rizzo
Roorda	Runions	Schieffer	Schupp	Smith
Swearingen	Walton Gray	Webber	Wright	

PRESENT: 000

ABSENT WITH LEAVE: 017

English	Fitzwater	Funderburk	Grisamore	Hinson
Hodges	Hough	Jones 50	Leara	May
McManus	Molendorp	Morgan	Neth	Peters
Pierson	Reiboldt			

VACANCIES: 004

On motion of Representative Diehl, **SCS SJR 36, as amended**, was read the third time and passed by the following vote:

AYES: 122

Allen	Anders	Anderson	Austin	Bahr
Barnes	Bernskoetter	Berry	Black	Brattin
Brown	Burlison	Cierpiot	Conway 10	Conway 104
Cookson	Cornejo	Cox	Crawford	Cross
Curtman	Davis	Diehl	Dohman	Dugger
Ellington	Elmer	Engler	English	Entlicher
Fitzpatrick	Fitzwater	Flanigan	Fraker	Frame
Franklin	Frederick	Funderburk	Gannon	Gatschenberger
Gosen	Guernsey	Haahr	Haefner	Hampton
Hansen	Harris	Hicks	Higdon	Hinson
Hoskins	Hough	Houghton	Hubbard	Hurst
Johnson	Jones 50	Justus	Keeney	Kelley 127
Koenig	Kolkmeier	Korman	Lair	Lant
Lauer	Leara	Lichtenegger	Love	Lynch
Marshall	Mayfield	McCaherty	McGaugh	McKenna
Messenger	Miller	Moon	Morris	Muntzel
Neely	Neth	Otto	Parkinson	Pfautsch
Phillips	Pike	Pogue	Redmon	Rehder

Reiboldt	Remole	Rhoads	Richardson	Riddle
Roorda	Ross	Rowden	Rowland	Schamhorst
Schatz	Schieber	Schieffer	Shull	Shumake
Solon	Sommer	Spencer	Stream	Swan
Swearingen	Thomson	Torpey	Walker	Webber
White	Wieland	Wilson	Wood	Wright
Zerr	Mr. Speaker			

NOES: 031

Burns	Butler	Carpenter	Colona	Curtis
Dunn	Englund	Gardner	Hummel	Kelly 45
Kirkton	Kratky	LaFaver	McCann Beatty	McDonald
McManus	McNeil	Meredith	Mims	Mitten
Montecillo	Newman	Nichols	Norr	Pace
Pierson	Rizzo	Runions	Schupp	Smith
Walton Gray				

PRESENT: 000

ABSENT WITH LEAVE: 006

Grisamore	Hodges	May	Molendorp	Morgan
Peters				

VACANCIES: 004

Speaker Pro Tem Hoskins declared the bill passed.

COMMITTEE REPORTS

Committee on Agri-Business, Chairman Guernsey reporting:

Mr. Speaker: Your Committee on Agri-Business, to which was referred **SB 506**, begs leave to report it has examined the same and recommends that it **Do Pass with House Committee Substitute**, and pursuant to Rule 25(34)(f) be referred to the Committee on Rules.

Mr. Speaker: Your Committee on Agri-Business, to which was referred **SS SCS SB 707**, begs leave to report it has examined the same and recommends that it **Do Pass with House Committee Substitute**, and pursuant to Rule 25(34)(f) be referred to the Committee on Rules.

Committee on Downsizing State Government, Chairman Curtman reporting:

Mr. Speaker: Your Committee on Downsizing State Government, to which was referred **SS SB 575**, begs leave to report it has examined the same and recommends that it **Do Pass with House Committee Substitute**, and pursuant to Rule 25(34)(f) be referred to the Committee on Rules.

Committee on Government Oversight and Accountability, Chairman Barnes reporting:

Mr. Speaker: Your Committee on Government Oversight and Accountability, to which was referred **SCS SB 680**, begs leave to report it has examined the same and recommends that it **Do Pass with House Committee Substitute**, and pursuant to Rule 25(34)(f) be referred to the Committee on Rules.

Committee on Insurance Policy, Chairman Gosen reporting:

Mr. Speaker: Your Committee on Insurance Policy, to which was referred **SS SB 874**, begs leave to report it has examined the same and recommends that it **Do Pass with House Committee Substitute**, and pursuant to Rule 25(34)(f) be referred to the Committee on Rules.

Committee on Ways and Means, Chairman Koenig reporting:

Mr. Speaker: Your Committee on Ways and Means, to which was referred **SB 842**, begs leave to report it has examined the same and recommends that it **Do Pass**, and pursuant to Rule 25(34)(f) be referred to the Committee on Rules.

Mr. Speaker: Your Committee on Ways and Means, to which was referred **SS SB 860**, begs leave to report it has examined the same and recommends that it **Do Pass with House Committee Substitute**, and pursuant to Rule 25(34)(f) be referred to the Committee on Rules.

Committee on Rules, Chairman Riddle reporting:

Mr. Speaker: Your Committee on Rules, to which was referred **SCR 34**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **HCS SB 584**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **HCS SB 591**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **HCS SB 607**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **SB 674**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **SCS SB 785**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **HCS SB 794**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **HCS SCS SB 809**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **HCS SCS SB 852**, begs leave to report it has examined the same and recommends that it **Do Pass**.

MESSAGES FROM THE SENATE

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SCS HCS HB 1217**, entitled:

An act to amend chapter 434, RSMo, by adding thereto five new sections relating to the unlawful transfer or assignment of pension benefits.

With Senate Amendment No. 1.

Senate Amendment No. 1

AMEND Senate Committee Substitute for House Committee Substitute for House Bill No. 1217, Page 1, Section Title, Line 2, by striking the word "the" from the end of said line; and further amend Line 3, by striking all of said line and inserting in lieu thereof the following: "public employee retirement plan benefits."; and

Further amend said bill and page, Section A, Line 3, by inserting immediately after said line the following:

"105.669. 1. Any participant of a plan who is found guilty of a felony offense listed in subsection 3 of this section, which is committed in direct connection with or directly related to the participant's duties as an employee on or after the effective date of this section, shall not be eligible to receive any retirement benefits from the respective plan based on service rendered on or after the effective date of this section, except a participant may still request from the respective retirement system a refund of the participant's plan contributions, including interest credited to the participant's account.

2. Upon a finding of guilt, the court shall forward a notice of the court's finding to the appropriate retirement system in which the offender was a participant. The court shall also make a determination on the value of the money, property, or services involved in committing the offense. The plans shall take all actions necessary to implement the provisions of this section.

3. The finding of guilt for any of the following offenses or a substantially similar offense provided under federal law shall result in the ineligibility of retirement benefits as provided in subsection 1 of this section:

(1) The offense of felony stealing under section 570.030 when such offense involved money, property, or services valued at five thousand dollars or more as determined by the court;

(2) The offense of felony receiving stolen property under section 570.080 when such offense involved money, property, or services valued at five thousand dollars or more as determined by the court;

(3) The offense of forgery under section 570.090;

(4) The offense of felony counterfeiting under section 570.103;

(5) The offense of bribery of a public servant under section 576.010; or

(6) The offense of acceding to corruption under section 576.020."; and

Further amend said bill, Page 3, Section 434.304, Line 2, by inserting immediately after said line the following:

"Section B. Because of the need to protect our public retirement systems, the enactment of section 105.669 of this act is deemed necessary for the immediate preservation of the public health, welfare, peace and safety, and is hereby declared to be an emergency act within the meaning of the constitution, and the enactment of section 105.669 of this act shall be in full force and effect upon its passage and approval."; and

Further amend the title and enacting clause accordingly.

Emergency clause adopted.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SS SCS HB 1270**, entitled:

An act to amend chapter 407, RSMo, by adding thereto one new section relating to credit card processing services.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **HB 1359**.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the President Pro Tem has appointed the following Conference Committee to act with a like committee from the House on **HCS SCS SBs 493, 485, 495, 516, 534, 545, 595, 616 & 624, as amended**.

Senators: Pearce, Schmitt, Emery, Chappelle-Nadal and Curls.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the President Pro Tem has appointed the following Conference Committee to act with a like committee from the House on **SCS SB 612, with House Amendment No. 1, House Amendment No. 2, House Amendment No. 3, House Amendment No. 4 and House Amendment No. 5**.

Senators: Schaaf, Kraus, Lamping, Sifton and LeVota.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the President Pro Tem has appointed the following Conference Committee to act with a like committee from the House on **HCS SCS SB 672, as amended**.

Senators: Parson, Dixon, Romine, Justus and Keaveny.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the President Pro Tem has appointed the following Conference Committee to act with a like committee from the House on **HCS SCS SB 716, as amended**.

Senators: Brown, Schmitt, Sater, Sifton and Walsh.

ADJOURNMENT

On motion of Representative Diehl, the House adjourned until 10:00 a.m., Wednesday, May 7, 2014.

COMMITTEE HEARINGS

ADMINISTRATION AND ACCOUNTS

Thursday, May 8, 2014, 9:00 AM, House Hearing Room 6.

Executive session may be held on any matter referred to the committee.

Discussing the following: House policy amendments regarding appropriations and standardizing offices (attachments to follow).

AGRI-BUSINESS

Wednesday, May 7, 2014, Upon Morning Recess, House Hearing Room 4.

Public hearing will be held: SB 964

Executive session may be held on any matter referred to the committee.

CANCELLED

FISCAL REVIEW

Wednesday, May 7, 2014, 8:30 AM, House Hearing Room 2.

Executive session may be held on any matter referred to the committee.

FISCAL REVIEW

Thursday, May 8, 2014, 8:30 AM, House Hearing Room 2.

Executive session may be held on any matter referred to the committee.

JOINT COMMITTEE ON EDUCATION

Wednesday, May 7, 2014, 8:30 AM, House Hearing Room 3.

Agenda: Election of chair and vice-chair, recognition of outgoing members, and discussion of interim projects.

JUDICIARY

Wednesday, May 7, 2014, 12:00 PM or immediately Upon Morning Recess, House Hearing Room 1.

Public hearing will be held: SB 695

Executive session may be held on any matter referred to the committee.

If the House should work straight through without a morning recess, the committee will meet immediately upon evening recess in House Hearing Room 1.

RULES

Wednesday, May 7, 2014, Upon Evening Adjournment, South Gallery.

Executive session will be held: HCS HB 1720, HB 1953, HB 2260, HCS SB 605, HCS SB 660, HCS SCS SB 680, SCS SB 731, HCS SS#2 SB 754, SS SB 866

Executive session may be held on any matter referred to the committee.

SPECIAL STANDING COMMITTEE ON SMALL BUSINESS

Wednesday, May 7, 2014, 12:00 PM or Upon Morning Recess, House Hearing Room 7.

Executive session will be held: SCS SB 777

Executive session may be held on any matter referred to the committee.

SPECIAL STANDING COMMITTEE ON SMALL BUSINESS

Thursday, May 8, 2014, 9:15 AM, House Hearing Room 3.

Executive session will be held: SCS SB 777

Executive session may be held on any matter referred to the committee.

WAYS AND MEANS

Wednesday, May 7, 2014, 6:00 PM or Upon Afternoon Recess or Upon Adjournment, 2125 Missouri Blvd, Jefferson City, MO 65109.

HOUSE CALENDAR

SIXTY-FOURTH DAY, WEDNESDAY, MAY 7, 2014

HOUSE JOINT RESOLUTIONS FOR PERFECTION

- 1 HCS HJR 62 - Bahr
- 2 HJR 70 - Jones (50)

HOUSE BILLS FOR PERFECTION

- 1 HB 1821 - Diehl
- 2 HB 1342 - Scharnhorst
- 3 HCS HB 1350 - Richardson
- 4 HCS HB 1116 - Hicks
- 5 HCS HB 1662 - Richardson
- 6 HB 1474 - Brattin
- 7 HCS HB 1967 - Koenig
- 8 HCS#2 HB 1153 - Pace
- 9 HB 1314 - Frederick
- 10 HCS HB 1484 - Korman
- 11 HB 1541 - Hubbard
- 12 HCS HB 1583 - Berry
- 13 HCS HB 1728 - Love
- 14 HB 2070 - Hough

- 15 HCS HB 2078 - Funderburk
- 16 HCS HB 2131 - Elmer
- 17 HB 2155 - Scharnhorst
- 18 HCS HB 1054 - Barnes
- 19 HCS HB 1056 - Johnson
- 20 HCS HB 1183 - Gosen
- 21 HCS HB 1478 - Swan
- 22 HB 1486 - Fitzpatrick
- 23 HB 1543 - Hinson
- 24 HCS HB 1725 - Frederick
- 25 HCS HB 1743 - Funderburk
- 26 HCS HB 1935 - Austin
- 27 HCS HB 1949 - Thomson
- 28 HCS HB 1990 - Fitzwater
- 29 HB 1993 - Bernskoetter
- 30 HCS HB 2049 - Fitzpatrick
- 31 HB 2099 - Franklin
- 32 HB 1142 - Flanigan
- 33 HB 1152 - Pace
- 34 HCS HB 1200 - Burlison
- 35 HCS HB 1247 - Wood
- 36 HCS HBs 1258 & 1267 - Rowden
- 37 HCS HB 1448 - Cox
- 38 HB 1668 - Allen
- 39 HCS HB 1807 - Solon
- 40 HCS HB 1823 - Berry
- 41 HB 1976 - Spencer
- 42 HB 2053 - Curtman
- 43 HB 2219 - Peters
- 44 HB 1111 - Rowland
- 45 HCS HB 1488 - Bahr
- 46 HCS HB 1492 - Lichtenegger
- 47 HCS HB 1540 - Fitzwater
- 48 HB 1737 - Burlison
- 49 HCS HB 1842 - Frederick
- 50 HCS HB 2209 - Molendorp
- 51 HB 1065 - Grisamore
- 52 HCS HB 1309 - Sommer
- 53 HB 1347 - Haahr
- 54 HCS HB 1364 - Bahr
- 55 HB 1544 - Rowden
- 56 HB 1562 - Kratky
- 57 HCS HB 1634 - Hough
- 58 HCS HB 1639 - Funderburk
- 59 HCS HB 1734 - Fraker

- 60 HCS HB 1845 - Anderson
- 61 HB 1899 - Pfautsch
- 62 HCS HB 2038 - Hicks
- 63 HCS HB 2112 - Gatschenberger
- 64 HCS HB 2188 - Muntzel
- 65 HB 1188 - Elmer
- 66 HCS HB 1257 - Wilson
- 67 HCS HB 1344 - Gosen
- 68 HB 1548 - McGaugh
- 69 HCS HB 1640 - Reiboldt
- 70 HCS HB 1894 - Frederick
- 71 HB 2136 - Austin
- 72 HCS HB 2272 - Jones (50)

HOUSE JOINT RESOLUTIONS FOR THIRD READING

HCS HJR 75, (Fiscal Review 5/5/14) - Burlison

HOUSE BILLS FOR THIRD READING

- 1 HB 1770 - Burlison
- 2 HCS HB 2118 - Cox

HOUSE BILLS FOR THIRD READING - CONSENT

HB 1568 - Frederick

HOUSE CONCURRENT RESOLUTIONS

- 1 HCR 8 - Richardson
- 2 HCR 16 - Guernsey
- 3 HCR 19 - Gannon
- 4 HCR 27 - May
- 5 HCR 22 - Wieland
- 6 HCR 48 - McGaugh

SENATE JOINT RESOLUTIONS FOR THIRD READING

SCS SJR 27 - Curtman

SENATE BILLS FOR THIRD READING

- 1 SB 652 - Funderburk
- 2 SCS SB 613 - Funderburk
- 3 SB 766 - Mitten

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- 4 SS SB 745, (Fiscal Review 4/23/14) - Jones (50)
- 5 SB 628, E.C. - Wilson
- 6 HCS SB 656, E.C. - Jones (50)
- 7 SB 718 - Davis
- 8 HCS SCS SB 723 - Stream
- 9 HCS SB 693 - Jones (50)
- 10 HCS SB 621 - Cox
- 11 HCS SCS SB 492 - Thomson
- 12 SB 601 - Funderburk
- 13 SS SCS SB 767 - Diehl
- 14 SB 907 - Flanigan
- 15 HCS SB 504 - Rowden
- 16 HCS SCS SB 567 - Swan
- 17 HCS SB 615 - Austin
- 18 SCS SBs 638 & 647, (Fiscal Review 5/5/14) - Engler
- 19 HCS SB 727, (Fiscal Review 5/5/14) - Johnson
- 20 HCS SB 773, E.C. - Spencer
- 21 SS SB 782 - Funderburk

HOUSE BILLS WITH SENATE AMENDMENTS

- 1 SCS HB 1132 - Engler
- 2 SCS HCS HB 1631 - Richardson

BILLS CARRYING REQUEST MESSAGES

- 1 SS SCS HCS HB 1439, as amended (request Senate recede/grant conference), E.C. - Funderburk
- 2 SS SCS HB 1490, as amended (request Senate recede/grant conference), E.C. - Bahr

BILLS IN CONFERENCE

- 1 CCR SS HB 1361, as amended - Gosen
- 2 SCS HCS HB 2002, as amended - Stream
- 3 SCS HCS HB 2003, as amended - Stream
- 4 SCS HCS HB 2004 - Stream
- 5 SCS HCS HB 2005 - Stream
- 6 SCS HCS HB 2006 - Stream
- 7 SCS HCS HB 2007 - Stream
- 8 SCS HCS HB 2008, as amended - Stream
- 9 SCS HCS HB 2009, as amended - Stream
- 10 SCS HCS HB 2010 - Stream
- 11 SS SCS HCS HB 2011, (exceed the differences) - Stream
- 12 SCS HCS HB 2012 - Stream
- 13 SCS HCS HB 2013 - Stream

- 14 SCS SB 612, HA 1, HA 2, HA 3, HA 4 & HA 5, E.C. - Hoskins
- 15 HCS SCS SBs 493, 485, 495, 516, 534, 545, 595, 616, & 624, as amended, E.C. - Stream
- 16 HCS SCS SB 672, as amended - Jones (50)
- 17 HCS SCS SB 716, as amended - Scharnhorst

HOUSE RESOLUTIONS

HR 1016 - Curtman