

SECOND REGULAR SESSION

HOUSE BILL NO. 2114

98TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE KELLEY.

5696H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 205.205, RSMo, and to enact in lieu thereof one new section relating to sales taxes for hospital districts.

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

Section A. Section 205.205, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 205.205, to read as follows:

205.205. 1. The governing body of any hospital district established under sections 205.160 to 205.379 in any county of the third classification without a township form of government and with more than ten thousand six hundred but fewer than ten thousand seven hundred inhabitants, [or] any county of the third classification without a township form of government and with more than eleven thousand seven hundred fifty but fewer than eleven thousand eight hundred fifty inhabitants, **or any county of the third classification with a township form of government and with more than twelve thousand but fewer than fourteen thousand inhabitants and with a city of the fourth classification with more than four thousand five hundred but fewer than five thousand inhabitants as the county seat** may, by resolution, abolish the property tax authorized in such district under this chapter and impose a sales tax on all retail sales made within the district which are subject to sales tax under chapter 144 and all sales of metered water services, electricity, electrical current and natural, artificial or propane gas, wood, coal, or home heating oil for domestic use only as provided under section 144.032. The tax authorized in this section shall be not more than one percent, and shall be imposed solely for the purpose of funding the hospital district. 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.

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 2. No such resolution adopted under this section shall become effective unless the
19 governing body of the hospital district submits to the voters residing within the district at a state
20 general, primary, or special election a proposal to authorize the governing body of the district to
21 impose a tax under this section. If a majority of the votes cast on the question by the qualified
22 voters voting thereon are in favor of the question, then the tax shall become effective on the first
23 day of the second calendar quarter after the director of revenue receives notification of adoption
24 of the local sales tax. If a majority of the votes cast on the question by the qualified voters voting
25 thereon are opposed to the question, then the tax shall not become effective unless and until the
26 question is resubmitted under this section to the qualified voters and such question is approved
27 by a majority of the qualified voters voting on the question.

28 3. All revenue collected under this section by the director of the department of revenue
29 on behalf of the hospital district, except for one percent for the cost of collection which shall be
30 deposited in the state's general revenue fund, shall be deposited in a special trust fund, which is
31 hereby created and shall be known as the "Hospital District Sales Tax Fund", and shall be used
32 solely for the designated purposes. Moneys in the fund shall not be deemed to be state funds,
33 and shall not be commingled with any funds of the state. The director may make refunds from
34 the amounts in the fund and credited to the district for erroneous payments and overpayments
35 made, and may redeem dishonored checks and drafts deposited to the credit of such district. Any
36 funds in the special fund which are not needed for current expenditures shall be invested in the
37 same manner as other funds are invested. Any interest and moneys earned on such investments
38 shall be credited to the fund.

39 4. The governing body of any hospital district that has adopted the sales tax authorized
40 in this section may submit the question of repeal of the tax to the voters on any date available for
41 elections for the district. If a majority of the votes cast on the question by the qualified voters
42 voting thereon are in favor of the repeal, that repeal shall become effective on December
43 thirty-first of the calendar year in which such repeal was approved. If a majority of the votes cast
44 on the question by the qualified voters voting thereon are opposed to the repeal, then the sales
45 tax authorized in this section shall remain effective until the question is resubmitted under this
46 section to the qualified voters and the repeal is approved by a majority of the qualified voters
47 voting on the question.

48 5. Whenever the governing body of any hospital district that has adopted the sales tax
49 authorized in this section receives a petition, signed by a number of registered voters of the
50 district equal to at least ten percent of the number of registered voters of the district voting in the
51 last gubernatorial election, calling for an election to repeal the sales tax imposed under this
52 section, the governing body shall submit to the voters of the district a proposal to repeal the tax.
53 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor

54 of the repeal, the repeal shall become effective on December thirty-first of the calendar year in
55 which such repeal was approved. If a majority of the votes cast on the question by the qualified
56 voters voting thereon are opposed to the repeal, then the sales tax authorized in this section shall
57 remain effective until the question is resubmitted under this section to the qualified voters and
58 the repeal is approved by a majority of the qualified voters voting on the question.

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

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