

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NO. 884**  
**99TH GENERAL ASSEMBLY**

5722H.02C

D. ADAM CRUMBLISS, Chief Clerk

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**AN ACT**

To repeal sections 66.390, 66.500, 67.662, 67.1153, 67.1158, 67.1360, 67.3000, 67.3005, 92.325, 92.327, 92.331, 143.451, 144.020, and 144.087, RSMo, and to enact in lieu thereof nineteen new sections relating to taxation.

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

Section A. Sections 66.390, 66.500, 67.662, 67.1153, 67.1158, 67.1360, 67.3000, 2 67.3005, 92.325, 92.327, 92.331, 143.451, 144.020, and 144.087, RSMo, are repealed and 3 nineteen new sections enacted in lieu thereof, to be known as sections 66.390, 66.500, 67.180, 4 67.662, 67.1153, 67.1158, 67.1360, 67.3000, 67.3005, 67.5110, 92.325, 92.327, 92.331, 94.005, 5 143.451, 144.020, 144.087, 148.720, and 1, to read as follows:

66.390. 1. The governing body of any county of the first class having a charter form of 2 government and having a population of over nine hundred thousand inhabitants may levy a tax 3 not to exceed three percent on the amount of sales or charges for all rooms paid by the transient 4 guests of hotels and motels situated within such county. Such tax should be known as a 5 "Convention and Tourism Tax" and shall be deposited by the county treasurer in what shall be 6 known as the "Convention and Tourism Fund". As used herein, "transient guests" means person 7 or persons who occupy room or rooms in a hotel or motel for thirty-one days or less during any 8 calendar quarter.

9 2. The person, firm or corporation, subject to the tax imposed by this section, shall 10 collect the tax from the transient guests, and each such transient guest shall pay the amount of 11 such tax to the person, firm or corporation directed to collect the tax imposed herein.

12 3. The tax imposed pursuant to the provisions of sections 66.390 to 66.398 shall be in 13 addition to any and all other taxes and licenses.

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.

14 4. The governing body may establish reasonable rules and regulations governing  
15 procedures for collecting and reporting of the tax.

16 5. The governing body may provide in the ordinance levying the tax that from every  
17 remittance of the tax made, the person required to so remit may deduct and retain an amount  
18 equal to two percent of the taxes collected.

19 6. The ordinance shall establish procedures for refunds and penalties on delinquent taxes.

20 **7. For purposes of this section, rooms paid by the transient guests shall include**  
21 **rooms in residential dwelling rentals, as that term is defined under section 67.5110.**

66.500. As used in sections 66.500 to 66.516, the following terms mean:

2 (1) "County", a constitutional charter county containing the major portion of a city with  
3 a population of at least three hundred fifty thousand inhabitants;

4 (2) "Food", all articles commonly used for food or drink, including alcoholic beverages,  
5 the provisions of chapter 311 notwithstanding;

6 (3) "Food establishment", any cafe, cafeteria, lunchroom or restaurant which sells food  
7 at retail and has at least five hundred thousand dollars in annual sales;

8 (4) "Governing body", the body charged with governing the county;

9 (5) "Gross receipts", the gross receipts from retail sales of food prepared on the premises  
10 and delivered to the purchaser (excluding sales tax);

11 (6) "Hotel, motel or tourist court", any structure or building, under one management,  
12 which contains rooms furnished for the accommodation or lodging of guests, with or without  
13 meals being so provided, and kept, used, maintained, advertised, or held out to the public as a  
14 place where sleeping accommodations are sought for pay or compensation to transient guests or  
15 permanent guests and having more than eight bedrooms furnished for the accommodations of  
16 such guests. Sleeping accommodations consisting of one bedroom or more that rent for less than  
17 twenty dollars per day or less than eighty-five dollars per week and shelters for the homeless  
18 operated by not-for-profit organizations are not a "hotel, motel or tourist court" for the purposes  
19 of this act. **"Hotel, motel, or tourist court" shall include sleeping accommodations in**  
20 **residential dwelling rentals, as that term is defined under section 67.5110;**

21 (7) "Person", any individual, corporation, partnership or other entity;

22 (8) "Transient guest", a person who occupies a room or rooms in a hotel, motel or tourist  
23 court for thirty-one days or less during any calendar quarter.

**67.180. For purposes of this chapter, any sales tax authorized on the rental of**  
2 **accommodations of a hotel or motel shall be deemed to apply to accommodations of a**  
3 **residential dwelling rental, as that term is defined under section 67.5110.**

67.662. Notwithstanding any other provisions of law to the contrary, any tax imposed  
2 or collected by any municipality, any county, or any local taxing entity on or related to any

3 transient accommodations, whether imposed as a hotel tax, occupancy tax, or otherwise, shall  
4 apply solely to amounts actually received by the operator of a hotel, motel, tavern, inn, tourist  
5 cabin, tourist camp, **residential dwelling rental**, or other place in which rooms are furnished to  
6 the public. Under no circumstances shall a travel agent or intermediary be deemed an operator  
7 of a hotel, motel, tavern, inn, tourist cabin, tourist camp, **residential dwelling rental**, or other  
8 place in which rooms are furnished to the public unless such travel agent or intermediary actually  
9 operates such a facility. This section shall not apply if the purchaser of such rooms is an entity  
10 which is exempt from payment of such tax. This section is intended to clarify that taxes imposed  
11 as a hotel tax, occupancy tax, or otherwise shall apply solely to amounts received by operators,  
12 as enacted in the statutes authorizing such taxes.

67.1153. 1. The authority shall consist of five commissioners, who shall be qualified  
2 voters of the state of Missouri and residents of the county in which the authority is created. The  
3 commissioners shall be appointed by the governor with the advice and consent of the senate. No  
4 more than three of the commissioners appointed shall be of any one political party, and no  
5 elective ~~or appointed~~ official of any political subdivision of this state shall be a member of the  
6 authority.

7 2. The authority shall elect from its number a chairman, and may appoint such officers  
8 and employees as it may require for the performance of its duties and fix and determine their  
9 qualifications, duties and compensation. No action of the authority shall be binding unless taken  
10 at a meeting at which at least three members are present and unless a majority of the members  
11 present at such meeting shall vote in favor thereof.

12 3. Of the commissioners initially appointed to the authority, one shall serve for two  
13 years, one shall serve for three years, one shall serve for four years, one shall serve for five years,  
14 and one shall serve for six years. Thereafter, successors shall hold office for terms of five years,  
15 or for the unexpired terms of their predecessors. Each commissioner shall hold office until his  
16 successor has been appointed and qualified.

17 4. The commissioners shall receive no salary for the performance of their duties, but  
18 shall be reimbursed for the actual and necessary expenses incurred in the performance of their  
19 duties, to be paid by the authority.

67.1158. 1. The governing body of a county which has established an authority under  
2 the provisions of sections 67.1150 to 67.1158 may impose a tax on the charges for all sleeping  
3 rooms paid by the transient guests of hotels or motels situated in the county, which shall be more  
4 than two percent but not more than five percent per occupied room per night, except that such  
5 tax shall not become effective unless the governing body of the county submits to the voters of  
6 the county at a state general, primary, or special election, a proposal to authorize the governing  
7 body of the county to impose a tax under the provisions of this section. The tax authorized by

8 this section shall be in addition to the charge for the sleeping room and shall be in addition to any  
9 and all taxes imposed by law, and the proceeds of such tax shall be used by the authority solely  
10 for funding the construction and operation of convention, visitor and sports facilities, other  
11 incidental facilities, and operation of the authority consistent with the provisions of sections  
12 67.1150 to 67.1158. Such tax shall be stated separately from all other charges and taxes.

13 2. The question shall be submitted in substantially the following form:

14 Shall the \_\_\_\_\_ (County) levy a tax of \_\_\_\_\_ percent on each sleeping room occupied  
15 and rented by transient guests of hotels and motels located in the county, the proceeds of which  
16 shall be expended for the funding of convention, visitor and sports facilities, other incidental  
17 facilities, and the county convention and sports facilities authority?

18  YES  NO

19

20 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor  
21 of the question, then the tax shall become effective on the first day of the calendar quarter  
22 following the calendar quarter in which the election was held. If a majority of the votes cast on  
23 the question by the qualified voters voting thereon are opposed to the question, then the  
24 governing body for the county shall have no power to impose the tax authorized by this section  
25 unless and until the governing body of the county resubmits the question and such question is  
26 approved by a majority of the qualified voters voting thereon.

27 3. After the effective date of any tax authorized under the provisions of this section, the  
28 county which levied the tax may adopt one of the ~~[two]~~ **three** following provisions for the  
29 collection and administration of the tax:

30 (1) The county which levied the tax may adopt rules and regulations for the internal  
31 collection of such tax by the county officers usually responsible for collection and administration  
32 of county taxes; ~~[or]~~

33 (2) **The county which levied the tax may enter into an agreement with the authority**  
34 **for the authority to collect such tax and perform all functions incident to the**  
35 **administration, collection, enforcement, and operation of such tax. The tax authorized by**  
36 **this section shall be collected and reported upon such forms and under such administrative**  
37 **rules and regulations as may be prescribed by the authority; or**

38 (3) The county may enter into an agreement with the director of revenue of the state of  
39 Missouri for the purpose of collecting the tax authorized in this section. In the event any county  
40 enters into an agreement with the director of revenue of the state of Missouri for the collection  
41 of the tax authorized in this section, the director of revenue shall perform all functions incident  
42 to the administration, collection, enforcement and operation of such tax, and shall collect the  
43 additional tax authorized under the provisions of this section. The tax authorized by this section

44 shall be collected and reported upon such forms and under such administrative rules and  
45 regulations as may be prescribed by the director of revenue, and the director of revenue shall  
46 retain not less than one percent nor more than three percent for cost of collection.

47 4. If a tax is imposed by a county under this section, **it is due on the first day of the**  
48 **next calendar quarter, and the [county may] authority shall** collect a penalty of one percent  
49 **per month and shall collect** interest ~~[not to exceed]~~ **of** two percent per month on ~~[unpaid]~~ taxes  
50 ~~[which shall be considered delinquent]~~ **that are not paid** thirty days after the last day of each  
51 quarter. **If interest and penalties are due, they shall be calculated beginning on the original**  
52 **due date and not beginning on the expiration of the thirty-day grace period.**

53 5. If a tax is imposed by a county under this section, either the county or the authority  
54 shall have the power to audit the taxed facilities to ensure compliance with the tax by the facility.  
55 During such audit, the taxed facilities shall give access to examine necessary records to ensure  
56 compliance.

57 6. Suits to enforce the collection and payment of the tax against the taxed facilities ~~[may]~~  
58 **shall** be filed and prosecuted by the authority. If suit is filed, the authority ~~[may]~~ **shall** recover  
59 as damages a reasonable attorney's fee, **litigation expenses**, and costs of suit against the taxed  
60 facility.

61 7. **As used in sections 67.1150 to 67.1159 or any other section relating to an**  
62 **authority established under the provisions of sections 67.1150 to 67.1158, the following**  
63 **terms shall mean:**

64 (1) **"Hotel", one or more units offering temporary lodgings or living quarters and**  
65 **accommodations consisting of one or more rooms, which may include lounging, cooking,**  
66 **or dining areas, that are provided with furnishings. Such temporary living**  
67 **accommodations may be located within an apartment house, rooming house, tourist or**  
68 **trailer camp, mobile home park, recreational vehicle park, condominium, timeshare resort,**  
69 **house, or other residential community if the actual occupant's stay is temporary and shall**  
70 **include bed and breakfasts, vacation rentals, corporate housing, and temporary living**  
71 **accommodations in homes, whether a lease is entered into by the occupant;**

72 (2) **"Motel", a location containing one or more units offering temporary lodgings**  
73 **or living quarters and accommodations consisting of one or more rooms, which may**  
74 **include lounging, cooking, or dining areas, that are provided with furnishings. Such**  
75 **temporary living accommodations may be located within an apartment house, rooming**  
76 **house, tourist or trailer camp, mobile home park, recreational vehicle park, condominium,**  
77 **timeshare resort, house, or other residential community if the actual occupant's stay is**  
78 **temporary and shall include bed and breakfasts, vacation rentals, corporate housing, and**

79 **temporary living accommodations in homes, whether a lease is entered into by the**  
80 **occupant or there is direct access to parking from the accommodations;**

81 **(3) "Sleeping rooms", a unit containing a room or series of rooms that include at**  
82 **least one room or area for overnight sleeping by the person occupying them and shall**  
83 **include any associated lounging, cooking, or dining areas or rooms;**

84 **(4) "Taxed facility" or "taxed facilities", the owner or proprietor of the hotel or**  
85 **motel subject to the tax and the person or entity that operates it. The taxed facility shall**  
86 **collect the tax and transmit it to the collection agent;**

87 **(5) "Temporary", occupancy of less than sixty-one consecutive days at a time at the**  
88 **same unit;**

89 **(6) "Transient guest", any person who rents, hires, leases, or occupies the same**  
90 **sleeping room for less than sixty-one consecutive days at a time at the same unit.**

67.1360. 1. The governing body of the following cities and counties may impose a tax  
2 as provided in this section:

3 (1) A city with a population of more than seven thousand and less than seven thousand  
4 five hundred;

5 (2) A county with a population of over nine thousand six hundred and less than twelve  
6 thousand which has a total assessed valuation of at least sixty-three million dollars, if the county  
7 submits the issue to the voters of such county prior to January 1, 2003;

8 (3) A third class city which is the county seat of a county of the third classification  
9 without a township form of government with a population of at least twenty-five thousand but  
10 not more than thirty thousand inhabitants;

11 (4) Any fourth class city having, according to the last federal decennial census, a  
12 population of more than one thousand eight hundred fifty inhabitants but less than one thousand  
13 nine hundred fifty inhabitants in a county of the first classification with a charter form of  
14 government and having a population of greater than six hundred thousand but less than nine  
15 hundred thousand inhabitants;

16 (5) Any city having a population of more than three thousand but less than eight  
17 thousand inhabitants in a county of the fourth classification having a population of greater than  
18 forty-eight thousand inhabitants;

19 (6) Any city having a population of less than two hundred fifty inhabitants in a county  
20 of the fourth classification having a population of greater than forty-eight thousand inhabitants;

21 (7) Any fourth class city having a population of more than two thousand five hundred  
22 but less than three thousand inhabitants in a county of the third classification having a population  
23 of more than twenty-five thousand but less than twenty-seven thousand inhabitants;

24 (8) Any third class city with a population of more than three thousand two hundred but  
25 less than three thousand three hundred located in a county of the third classification having a  
26 population of more than thirty-five thousand but less than thirty-six thousand;

27 (9) Any county of the second classification without a township form of government and  
28 a population of less than thirty thousand;

29 (10) Any city of the fourth class in a county of the second classification without a  
30 township form of government and a population of less than thirty thousand;

31 (11) Any county of the third classification with a township form of government and a  
32 population of at least twenty-eight thousand but not more than thirty thousand;

33 (12) Any city of the fourth class with a population of more than one thousand eight  
34 hundred but less than two thousand in a county of the third classification with a township form  
35 of government and a population of at least twenty-eight thousand but not more than thirty  
36 thousand;

37 (13) Any city of the third class with a population of more than seven thousand two  
38 hundred but less than seven thousand five hundred within a county of the third classification with  
39 a population of more than twenty-one thousand but less than twenty-three thousand;

40 (14) Any fourth class city having a population of more than two thousand eight hundred  
41 but less than three thousand one hundred inhabitants in a county of the third classification with  
42 a township form of government having a population of more than eight thousand four hundred  
43 but less than nine thousand inhabitants;

44 (15) Any fourth class city with a population of more than four hundred seventy but less  
45 than five hundred twenty inhabitants located in a county of the third classification with a  
46 population of more than fifteen thousand nine hundred but less than sixteen thousand inhabitants;

47 (16) Any third class city with a population of more than three thousand eight hundred  
48 but less than four thousand inhabitants located in a county of the third classification with a  
49 population of more than fifteen thousand nine hundred but less than sixteen thousand inhabitants;

50 (17) Any fourth class city with a population of more than four thousand three hundred  
51 but less than four thousand five hundred inhabitants located in a county of the third classification  
52 without a township form of government with a population greater than sixteen thousand but less  
53 than sixteen thousand two hundred inhabitants;

54 (18) Any fourth class city with a population of more than two thousand four hundred but  
55 less than two thousand six hundred inhabitants located in a county of the first classification  
56 without a charter form of government with a population of more than fifty-five thousand but less  
57 than sixty thousand inhabitants;

58 (19) Any fourth class city with a population of more than two thousand five hundred but  
59 less than two thousand six hundred inhabitants located in a county of the third classification with

60 a population of more than nineteen thousand one hundred but less than nineteen thousand two  
61 hundred inhabitants;

62 (20) Any county of the third classification without a township form of government with  
63 a population greater than sixteen thousand but less than sixteen thousand two hundred  
64 inhabitants;

65 (21) Any county of the second classification with a population of more than forty-four  
66 thousand but less than fifty thousand inhabitants;

67 (22) Any third class city with a population of more than nine thousand five hundred but  
68 less than nine thousand seven hundred inhabitants located in a county of the first classification  
69 without a charter form of government and with a population of more than one hundred ninety-  
70 eight thousand but less than one hundred ninety-eight thousand two hundred inhabitants;

71 (23) Any city of the fourth classification with more than five thousand two hundred but  
72 less than five thousand three hundred inhabitants located in a county of the third classification  
73 without a township form of government and with more than twenty-four thousand five hundred  
74 but less than twenty-four thousand six hundred inhabitants;

75 (24) Any third class city with a population of more than nineteen thousand nine hundred  
76 but less than twenty thousand in a county of the first classification without a charter form of  
77 government and with a population of more than one hundred ninety-eight thousand but less than  
78 one hundred ninety-eight thousand two hundred inhabitants;

79 (25) Any city of the fourth classification with more than two thousand six hundred but  
80 less than two thousand seven hundred inhabitants located in any county of the third classification  
81 without a township form of government and with more than fifteen thousand three hundred but  
82 less than fifteen thousand four hundred inhabitants;

83 (26) Any county of the third classification without a township form of government and  
84 with more than fourteen thousand nine hundred but less than fifteen thousand inhabitants;

85 (27) Any city of the fourth classification with more than five thousand four hundred but  
86 fewer than five thousand five hundred inhabitants and located in more than one county;

87 (28) Any city of the fourth classification with more than six thousand three hundred but  
88 fewer than six thousand five hundred inhabitants and located in more than one county through  
89 the creation of a tourism district which may include, in addition to the geographic area of such  
90 city, the area encompassed by the portion of the school district, located within a county of the  
91 first classification with more than ninety-three thousand eight hundred but fewer than ninety-  
92 three thousand nine hundred inhabitants, having an average daily attendance for school year  
93 2005-06 between one thousand eight hundred and one thousand nine hundred;

94 (29) Any city of the fourth classification with more than seven thousand seven hundred  
95 but less than seven thousand eight hundred inhabitants located in a county of the first

96 classification with more than ninety-three thousand eight hundred but less than ninety-three  
97 thousand nine hundred inhabitants;

98 (30) Any city of the fourth classification with more than two thousand nine hundred but  
99 less than three thousand inhabitants located in a county of the first classification with more than  
100 seventy-three thousand seven hundred but less than seventy-three thousand eight hundred  
101 inhabitants;

102 (31) Any city of the third classification with more than nine thousand three hundred but  
103 less than nine thousand four hundred inhabitants;

104 (32) Any city of the fourth classification with more than three thousand eight hundred  
105 but fewer than three thousand nine hundred inhabitants and located in any county of the first  
106 classification with more than thirty-nine thousand seven hundred but fewer than thirty-nine  
107 thousand eight hundred inhabitants;

108 (33) Any city of the fourth classification with more than one thousand eight hundred but  
109 fewer than one thousand nine hundred inhabitants and located in any county of the first  
110 classification with more than one hundred thirty-five thousand four hundred but fewer than one  
111 hundred thirty-five thousand five hundred inhabitants;

112 (34) Any county of the third classification without a township form of government and  
113 with more than twelve thousand one hundred but fewer than twelve thousand two hundred  
114 inhabitants;

115 (35) Any city of the fourth classification with more than three thousand eight hundred  
116 but fewer than four thousand inhabitants and located in more than one county; provided,  
117 however, that motels owned by not-for-profit organizations are exempt; or

118 (36) Any city of the fourth classification with more than five thousand but fewer than  
119 five thousand five hundred inhabitants and located in any county with a charter form of  
120 government and with more than two hundred thousand but fewer than three hundred fifty  
121 thousand inhabitants.

122 2. The governing body of any city or county listed in subsection 1 of this section may  
123 impose a tax on the charges for all sleeping rooms paid by the transient guests of hotels, motels,  
124 bed and breakfast inns, **residential dwelling rentals as that term is defined under section**  
125 **67.5110**, and campgrounds and any docking facility which rents slips to recreational boats which  
126 are used by transients for sleeping, which shall be at least two percent, but not more than five  
127 percent per occupied room per night, except that such tax shall not become effective unless the  
128 governing body of the city or county submits to the voters of the city or county at a state general,  
129 primary or special election, a proposal to authorize the governing body of the city or county to  
130 impose a tax pursuant to the provisions of this section and section 67.1362. The tax authorized  
131 by this section and section 67.1362 shall be in addition to any charge paid to the owner or

132 operator and shall be in addition to any and all taxes imposed by law and the proceeds of such  
133 tax shall be used by the city or county solely for funding the promotion of tourism. Such tax  
134 shall be stated separately from all other charges and taxes.

67.3000. 1. As used in this section and section 67.3005, the following words shall mean:

2 (1) "Active member", an organization located in the state of Missouri which solicits and  
3 services sports events, sports organizations, and other types of sports-related activities in that  
4 community;

5 (2) "Applicant" or "applicants", one or more certified sponsors, endorsing counties,  
6 endorsing municipalities, or a local organizing committee, acting individually or collectively;

7 (3) "Certified sponsor" or "certified sponsors", a nonprofit organization which is an  
8 active member of the National Association of Sports Commissions;

9 (4) "Department", the Missouri department of economic development;

10 (5) "Director", the director of revenue;

11 (6) "Eligible costs" shall include:

12 (a) Costs necessary for conducting the sporting event;

13 (b) Costs relating to the preparations necessary for the conduct of the sporting event; and

14 (c) An applicant's pledged obligations to the site selection organization as evidenced by  
15 the support contract for the sporting event **including, but not limited to, bid fees and financial**  
16 **guarantees.**

17

18 "Eligible costs" shall not include any cost associated with the rehabilitation or construction of  
19 any facilities used to host the sporting event or direct payments to a for-profit site selection  
20 organization, but may include costs associated with the retrofitting of a facility necessary to  
21 accommodate the sporting event;

22 (7) "Eligible donation", donations received, by a certified sponsor or local organizing  
23 committee, from a taxpayer that may include cash, publicly traded stocks and bonds, and real  
24 estate that will be valued and documented according to rules promulgated by the department.  
25 Such donations shall be used solely to provide funding to attract sporting events to this state;

26 (8) "Endorsing municipality" or "endorsing municipalities", any city, town, incorporated  
27 village, or county that contains a site selected by a site selection organization for one or more  
28 sporting events;

29 (9) "Joinder agreement", an agreement entered into by one or more applicants, acting  
30 individually or collectively, and a site selection organization setting out representations and  
31 assurances by each applicant in connection with the selection of a site in this state for the  
32 location of a sporting event;

33 (10) "Joinder undertaking", an agreement entered into by one or more applicants, acting  
34 individually or collectively, and a site selection organization that each applicant will execute a  
35 joinder agreement in the event that the site selection organization selects a site in this state for  
36 a sporting event;

37 (11) "Local organizing committee", a nonprofit corporation or its successor in interest  
38 that:

39 (a) Has been authorized by one or more certified sponsors, endorsing municipalities, or  
40 endorsing counties, acting individually or collectively, to pursue an application and bid on its or  
41 the applicant's behalf to a site selection organization for selection as the host of one or more  
42 sporting events; or

43 (b) With the authorization of one or more certified sponsors, endorsing municipalities,  
44 or endorsing counties, acting individually or collectively, executes an agreement with a site  
45 selection organization regarding a bid to host one or more sporting events;

46 (12) "Site selection organization", the National Collegiate Athletic Association (NCAA);  
47 an NCAA member conference, university, or institution; the National Association of  
48 Intercollegiate Athletics (NAIA); the United States Olympic Committee (USOC); a national  
49 governing body (NGB) or international federation of a sport recognized by the USOC; the United  
50 States Golf Association (USGA); the United States Tennis Association (USTA); the Amateur  
51 ~~[Softball Association of America (ASA)]~~ **Athletic Union (AAU); the National Christian**  
52 **College Athletic Association (NCCAA); the National Junior College Athletic Association**  
53 **(NJCAA); the United States Sports Specialty Association (USSSA); any rights holder**  
54 **member of the National Association of Sports Commissions (NASC);** other major regional,  
55 national, and international sports associations, and amateur organizations that promote, organize,  
56 or administer sporting games or competitions; or other major regional, national, and international  
57 organizations that promote or organize sporting events;

58 (13) "Sporting event" or "sporting events", an amateur, **collegiate**, or Olympic sporting  
59 event that is competitively bid or is awarded by a site selection organization;

60 (14) "Support contract" or "support contracts", an event award notification, joinder  
61 undertaking, joinder agreement, or contract executed by an applicant and a site selection  
62 organization;

63 (15) "Tax credit" or "tax credits", a credit or credits issued by the department against the  
64 tax otherwise due under chapter 143 or 148, excluding withholding tax imposed under sections  
65 143.191 to 143.265;

66 (16) "Taxpayer", any of the following individuals or entities who make an eligible  
67 donation:

68 (a) A person, firm, partner in a firm, corporation, or a shareholder in an S corporation  
69 doing business in the state of Missouri and subject to the state income tax imposed under chapter  
70 143;

71 (b) A corporation subject to the annual corporation franchise tax imposed under chapter  
72 147;

73 (c) An insurance company paying an annual tax on its gross premium receipts in this  
74 state;

75 (d) Any other financial institution paying taxes to the state of Missouri or any political  
76 subdivision of this state under chapter 148;

77 (e) An individual subject to the state income tax imposed under chapter 143;

78 (f) Any charitable organization which is exempt from federal income tax and whose  
79 Missouri unrelated business taxable income, if any, would be subject to the state income tax  
80 imposed under chapter 143.

81 2. An applicant may submit a copy of a support contract for a sporting event to the  
82 department. Within sixty days of receipt of the sporting event support contract, the department  
83 may review the applicant's support contract and certify such support contract if it complies with  
84 the requirements of this section. Upon certification of the support contract by the department,  
85 the applicant may be authorized to receive the tax credit under subsection 4 of this section.

86 3. No more than ~~thirty~~ **ninety** days following the conclusion of the sporting event, the  
87 applicant shall submit eligible costs and documentation of the costs evidenced by receipts, paid  
88 invoices, **event settlements**, or other documentation in a manner prescribed by the department.  
89 **Eligible costs may be paid by the applicant or an entity cohosting the event with the**  
90 **applicant.**

91 4. **(1)** No later than seven days following the conclusion of the sporting event, the  
92 department, in consultation with the director, ~~may~~ **shall** determine the total number of tickets  
93 sold at face value for such event **or, if such event was participant-based and did not sell**  
94 **admission tickets, the total number of paid participant registrations.**

95 **(2)** No later than sixty days following the receipt of eligible costs and documentation of  
96 such costs from the applicant as required in subsection 3 of this section, the department ~~may~~  
97 **shall, except for the limitations under subsection 5 of this section,** issue a refundable tax  
98 credit to the applicant for the ~~lesser~~ **least** of:

99 **(a)** One hundred percent of eligible costs incurred by the applicant ~~or~~ ;

100 **(b)** An amount equal to five dollars for every admission ticket sold to such event; **or**

101 **(c)** **An amount equal to ten dollars for every paid participant registration if such**  
102 **event was participant-based and did not sell admission tickets.**

103

104 **The calculations under paragraphs (b) and (c) of this subdivision shall use the actual**  
105 **number of tickets sold or registrations paid, not an estimated amount.**

106 (3) Tax credits authorized by this section may be claimed against taxes imposed by  
107 chapters 143 and 148 and shall be claimed within one year of the close of the ~~[taxable]~~ tax year  
108 for which the credits were issued. Tax credits authorized by this section may be transferred, sold,  
109 or assigned by filing a notarized endorsement thereof with the department that names the  
110 transferee, the amount of tax credit transferred, and the value received for the credit, as well as  
111 any other information reasonably requested by the department.

112 5. In no event shall the amount of tax credits issued by the department under subsection  
113 4 of this section exceed three million dollars in any fiscal year. **For all events located within**  
114 **the following counties, the total amount of tax credits issued shall not exceed two million**  
115 **seven hundred thousand dollars in any fiscal year:**

116 (1) **A county with a charter form of government and with more than six hundred**  
117 **thousand inhabitants; or**

118 (2) **A city not within a county.**

119 6. An applicant shall provide any information necessary as determined by the department  
120 for the department and the director to fulfill the duties required by this section. At any time upon  
121 the request of the state of Missouri, a certified sponsor shall subject itself to an audit conducted  
122 by the state.

123 7. This section shall not be construed as creating or requiring a state guarantee of  
124 obligations imposed on an endorsing municipality under a support contract or any other  
125 agreement relating to hosting one or more sporting events in this state.

126 8. The department shall only certify an applicant's support contract for a sporting event  
127 in which the site selection organization has yet to select a location for the sporting event as of  
128 December 1, 2012. No support contract shall be certified unless the site selection organization  
129 has chosen to use a location in this state from competitive bids, at least one of which was a bid  
130 for a location outside of this state, **except that competitive bids shall not be required for any**  
131 **previously-awarded event whose site selection organization extends its contractual**  
132 **agreement with the event's certified sponsor or for any post-season collegiate football game**  
133 **or other neutral-site game with at least one out-of-state team.** Support contracts shall not be  
134 certified by the department after August 28, [2019] 2030, provided that the support contracts may  
135 be certified on or prior to August 28, [2019] 2030, for sporting events that will be held after such  
136 date.

137 9. The department may promulgate rules as necessary to implement the provisions of this  
138 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created  
139 under the authority delegated in this section shall become effective only if it complies with and

140 is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section  
141 and chapter 536 are nonseverable and if any of the powers vested with the general assembly  
142 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule  
143 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule  
144 proposed or adopted after August 28, 2013, shall be invalid and void.

67.3005. 1. For all [~~taxable~~] **tax** years beginning on or after January 1, 2013, any  
2 taxpayer shall be allowed a credit against the taxes otherwise due under chapter 143, 147, or 148,  
3 excluding withholding tax imposed by sections 143.191 to 143.265, in an amount equal to fifty  
4 percent of the amount of an eligible donation, subject to the restrictions in this section. The  
5 amount of the tax credit claimed shall not exceed the amount of the taxpayer's state income tax  
6 liability in the tax year for which the credit is claimed. Any amount of credit that the taxpayer  
7 is prohibited by this section from claiming in a tax year shall not be refundable, but may be  
8 carried forward to any of the taxpayer's two subsequent [~~taxable~~] **tax** years.

9 2. To claim the credit authorized in this section, a certified sponsor or local organizing  
10 committee shall submit to the department an application for the tax credit authorized by this  
11 section on behalf of taxpayers. The department shall verify that the applicant has submitted the  
12 following items accurately and completely:

13 (1) A valid application in the form and format required by the department;

14 (2) A statement attesting to the eligible donation received, which shall include the name  
15 and taxpayer identification number of the individual making the eligible donation, the amount  
16 of the eligible donation, and the date the eligible donation was received; and

17 (3) Payment from the certified sponsor or local organizing committee equal to the value  
18 of the tax credit for which application is made.

19

20 If the certified sponsor or local organizing committee applying for the tax credit meets all criteria  
21 required by this subsection, the department shall issue a certificate in the appropriate amount.

22 3. Tax credits issued under this section may be assigned, transferred, sold, or otherwise  
23 conveyed, and the new owner of the tax credit shall have the same rights in the credit as the  
24 taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise conveyed, a  
25 notarized endorsement shall be filed with the department specifying the name and address of the  
26 new owner of the tax credit or the value of the credit. In no event shall the amount of tax credits  
27 issued by the department under this section exceed ten million dollars in any fiscal year.

28 4. The department shall promulgate rules to implement the provisions of this section.  
29 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
30 authority delegated in this section shall become effective only if it complies with and is subject  
31 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and

32 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
33 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
34 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
35 or adopted after August 28, 2013, shall be invalid and void.

36 5. Under section 23.253 of the Missouri sunset act:

37 (1) The provisions of the new program authorized under section 67.3000 and under this  
38 section shall automatically sunset ~~[six]~~ **twelve** years after August 28, ~~[2013]~~ **2018**, unless  
39 reauthorized by an act of the general assembly; and

40 (2) If such program is reauthorized, the program authorized under section 67.3000 and  
41 under this section shall automatically sunset twelve years after the effective date of the  
42 reauthorization of these sections; and

43 (3) Section 67.3000 and this section shall terminate on September first of the calendar  
44 year immediately following the calendar year in which the program authorized under these  
45 sections is sunset.

**67.5110. 1. As used in this section, the following terms mean:**

2 (1) **"Facilitation platform", an intermediary that facilitates the rental of a**  
3 **residential dwelling rental to, and collects payment from, a transient guest. "Facilitation**  
4 **platform" shall not include an entity that acts solely as a property manager;**

5 (2) **"Guest room", any room or unit where sleeping accommodations are regularly**  
6 **furnished to the public;**

7 (3) **"Marketing platform", an intermediary that facilitates the rental of a**  
8 **residential dwelling rental to, but does not collect payment from, a transient guest;**

9 (4) **"Owner", a person who offers a residential dwelling rental to transient guests;**

10 (5) **"Person", any individual, corporation, partnership, or other entity;**

11 (6) **"Political subdivision", any county, city, town, village, township, fire district,**  
12 **sewer district, or water district;**

13 (7) **"Property manager", an individual or entity designated by an owner to manage**  
14 **private property;**

15 (8) **"Residential dwelling", any building, structure, or part of a building or**  
16 **structure that is used and occupied for human habitation or intended to be so used,**  
17 **including any appurtenances belonging to it or enjoyed with it;**

18 (9) **"Residential dwelling rental", a single residential dwelling or any part thereof**  
19 **offered for rent to transient guests. This definition shall not include a time-share unit, as**  
20 **defined under section 407.600, or a lodging establishment, as defined under section**  
21 **315.005;**

22           **(10) "Transient guest", any person who rents and occupies a guest room in a**  
23 **residential dwelling rental for no more than thirty-one consecutive days during a calendar**  
24 **quarter.**

25           **2. A transient guest occupying a guest room in a residential dwelling rental shall**  
26 **pay and an owner, or a facilitation platform or property manager on behalf of an owner,**  
27 **shall collect any applicable sales tax, hotel and motel tax, occupancy tax, tourism tax, or**  
28 **other tax imposed on transient guests by the state or by a local political subdivision or**  
29 **taxing authority in which the residential dwelling rental is located, including any such**  
30 **taxes authorized under this chapter or chapter 66, 92, 94, or 144. Taxes shall be remitted**  
31 **as follows:**

32           **(1) A facilitation platform shall enter into an agreement with the department of**  
33 **revenue and any political subdivision or taxing authority to collect and remit the taxes**  
34 **required by this subsection. A facilitation platform that is collecting and remitting**  
35 **applicable taxes shall report the taxes and remit the aggregate total amounts to each**  
36 **political subdivision or taxing authority and shall not be required to list or otherwise**  
37 **identify any individual owners on any return or attachments to a return. A property**  
38 **manager that, on behalf of an owner, collects and remits taxes imposed on the transient**  
39 **guest for the occupancy of a guest room in a residential dwelling shall not be considered**  
40 **a facilitation platform. For purposes of the collection and remittance by a facilitation**  
41 **platform of any state sales tax imposed on a transient guest for the occupancy of a guest**  
42 **room in a residential dwelling rental, the provisions of sections 32.085 to 32.087, sections**  
43 **136.010 to 136.380, and sections 144.010 to 144.525 shall apply; and**

44           **(2) When an owner uses a marketing platform or when a facilitation platform**  
45 **collects the taxes required by this subsection but the owner maintains responsibility for**  
46 **remittance, the owner shall obtain a certificate of no tax due and a retail sales tax license**  
47 **prior to advertising a residential dwelling rental on any platform or renting a residential**  
48 **dwelling rental to a transient guest.**

49

50 **The provisions of this subsection shall take effect on January 1, 2019.**

51           **3. A facilitation platform or a marketing platform shall maintain records of any**  
52 **rentals facilitated for a period of three years from the date of rental for audits requested**  
53 **by a taxing authority.**

92.325. As used in sections 92.325 to 92.340, the following terms mean:

2           (1) "City", a constitutional charter city located in four or more counties;

3           (2) "Food", all articles commonly used for food or drink, including alcoholic beverages,  
4 the provisions of chapter 311 notwithstanding;

5 (3) "Food establishment", any cafe, cafeteria, lunchroom or restaurant which sells food  
6 at retail;

7 (4) "Governing body", the city council charged with governing the city;

8 (5) "Gross receipts", the gross receipts from retail sales of food prepared on the premises  
9 and delivered to the purchaser (excluding sales tax);

10 (6) **"Guest room", any room or unit where sleeping accommodations are regularly  
11 furnished to the public;**

12 (7) "Hotel, motel or tourist court", any structure or building, under one management,  
13 which contains rooms furnished for the accommodation or lodging of guests, with or without  
14 meals being so provided, and kept, used, maintained, advertised, or held out to the public as a  
15 place where sleeping accommodations are sought for pay or compensation to transient guests or  
16 permanent guests and having more than eight bedrooms furnished for the accommodations of  
17 such guests. Sleeping accommodations consisting of one bedroom or more, that rent for less  
18 than twenty dollars per day or less than eighty-five dollars per week and shelters for the homeless  
19 operated by not-for-profit organizations are not a "hotel, motel or tourist court" for the purposes  
20 of this act;

21 ~~(7)~~ (8) **"Lodging establishment", any building, group of buildings, structure,  
22 facility, place, or places of business where guest rooms are provided that is:**

23 (a) **Owned, maintained, or operated by a person;**

24 (b) **Kept, used, maintained, advertised, or held out to the public for hire, which may  
25 be construed to be a hotel, motel, motor hotel, apartment hotel, tourist court, resort, cabin,  
26 tourist home, bunkhouse, dormitory, or other similar place; and**

27 (c) **Includes all such accommodations operated for hire as lodging establishments  
28 for either transient guests, permanent guests, or for both transient and permanent guests;**

29 (9) "Person", any individual, corporation, partnership or other entity;

30 ~~(8)~~ (10) **"Residential dwelling", any building, structure, or part of the building  
31 or structure that is used or occupied for human habitation or intended to be so used and  
32 includes any appurtenances belonging to or enjoyed with it;**

33 (11) **"Residential dwelling rental", a residential dwelling or any part thereof  
34 offered for rent to transient guests. This definition shall not include time-share units, as  
35 defined under section 407.600, or lodging establishments, as defined under this section;**

36 (12) "Transient guest", a person who occupies a room or rooms in a hotel, motel ~~or~~ ,  
37 tourist court, **lodging establishment, or residential dwelling rental** for thirty-one days or less  
38 during any calendar quarter.

92.327. 1. Any city may submit a proposition to the voters of such city:

2 (1) A tax not to exceed seven and one-half percent of the amount of sales or charges for  
3 all:

4 (a) Sleeping rooms paid by the transient guests of hotels, motels and tourist courts  
5 situated within the city involved, and doing business within such city (excluding sales tax); **or**

6 (b) **Guest rooms paid by the transient guests of lodging establishments and**  
7 **residential dwelling rentals situated within the city;** and

8 (2) A tax not to exceed two percent of the gross receipts derived from the retail sales of  
9 food by every person operating a food establishment.

10 2. Such taxes shall be known as the "convention and tourism tax" and when collected  
11 shall be deposited by the city treasurer in a separate fund to be known as the "Convention and  
12 Tourism Fund". The governing body of the city shall appropriate from the convention and  
13 tourism fund as provided in sections 92.325 to 92.340.

92.331. Such proposition shall be submitted to the voters in substantially the following  
2 form at such election:

3 Shall a convention and tourism tax of \_\_\_\_\_ percent on the amount of sales or charges  
4 for all rooms paid by the transient guests of hotels, motels [~~and~~] , tourist courts, **lodging**  
5 **establishments, and residential dwelling rentals situated within the city** and \_\_\_\_\_ percent  
6 on the gross receipts derived from the retail sales of food at a food establishment be levied in the  
7 city of \_\_\_\_\_ to provide funds for the promotion of convention and tourism?

8  YES  NO

**94.005. For purposes of this chapter, any sales tax authorized on rooms paid by**  
2 **transient guests of hotels and motels shall be deemed to apply to rooms of a residential**  
3 **dwelling rental, as that term is defined under section 67.5110.**

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

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

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

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

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

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

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

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

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

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

36 (d) For purposes of this subdivision:

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

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

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

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

45 (b) The amount of sales which are transactions in this state shall be divided by the total  
46 sales, and the net income shall be multiplied by the fraction thus obtained, to determine the  
47 proportion of income to be used to arrive at the amount of Missouri taxable income. The  
48 investment or reinvestment of its own funds, or sale of any such investment or reinvestment,

49 shall not be considered as sales or other business transacted for the determination of said  
50 fraction;

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

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

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

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

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

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

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

66 c. In the case of sale of a service, if and to the extent the ultimate beneficiary of the  
67 service is located in this state and shall not be in this state if the ultimate beneficiary of the  
68 service rendered by the taxpayer or the taxpayer's designee is located outside this state; and

69 d. In the case of intangible property:

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

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

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

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

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

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

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

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

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

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

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

100           (c) "Distribution services" include, but are not limited to, the services of advertising,  
101 servicing, marketing, underwriting or selling shares of an investment company, but, in the case  
102 of advertising, servicing or marketing shares, only where such service is performed by a person  
103 who is, or in the case of a closed end company, was, either engaged in the services of  
104 underwriting or selling investment company shares or affiliated with a person that is engaged in  
105 the service of underwriting or selling investment company shares. In the case of an open end  
106 company, such service of underwriting or selling shares must be performed pursuant to a contract  
107 entered into pursuant to 15 U.S.C. Section 80a-15(b), as from time to time amended;

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

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

120 of gross revenues consisting of fees from management services provided to or on behalf of an  
121 investment company;

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

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

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

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

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

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

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

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

156 taxable year, and the denominator of which shall be the average of the number of shares owned  
157 by the investment company's fund shareholders everywhere at the beginning of and at the end  
158 of the investment company's taxable year that ends with or within the investment funds service  
159 corporation's taxable year;

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

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

170 **(6) Notwithstanding the Multistate Tax Compact, sections 32.200 to 32.240; this**  
171 **section; and section 143.461 to the contrary, sales and business transactions shall not**  
172 **include any intercompany transactions, as that term is defined under 26 C.F.R. 1.1502-13,**  
173 **between corporations that file a consolidated income tax return in this state.**

174 3. Any corporation described in subdivision (1) of subsection 1 of section 143.441  
175 organized in this state or granted a permit to operate in this state for the transportation or care  
176 of passengers shall report its gross earnings within the state on intrastate business and shall also  
177 report its gross earnings on all interstate business done in this state which report shall be subject  
178 to inquiry for the purpose of determining the amount of income to be included in Missouri  
179 taxable income. The previous sentence shall not apply to a railroad.

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

188 (1) The income from all sources shall be determined as provided;

189 (2) The amount of investment of such corporation on December thirty-first of each year  
190 in this state in fixed transportation facilities, real estate and improvements, plus the value on  
191 December thirty-first of each year of any fixed transportation facilities, real estate and

192 improvements in this state leased from any other railroad shall be divided by the sum of the total  
193 amount of investment of such corporation on December thirty-first of each year in fixed  
194 transportation facilities, real estate and improvements, plus the value on December thirty-first  
195 of each year, of any fixed transportation facilities, real estate and improvements leased from any  
196 other railroad. Where any fixed transportation facilities, real estate or improvements are leased  
197 by more than one railroad, such portion of the value shall be used by each railroad as the rental  
198 paid by each shall bear to the rental paid by all lessees. The income shall be multiplied by the  
199 fraction thus obtained to determine the proportion to be used to arrive at the amount of Missouri  
200 taxable income.

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

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

219           (1) The income from all sources shall be determined as provided;

220           (2) The amount of investment of such corporation on December thirty-first of each year  
221 in this state in telephonic or telegraphic facilities, real estate and improvements thereon, shall be  
222 divided by the amount of the total investment of such corporation on December thirty-first of  
223 each year in telephonic or telegraphic facilities, real estate and improvements. The income of  
224 the taxpayer shall be multiplied by **the** fraction thus obtained to determine the proportion to be  
225 used to arrive at the amount of Missouri taxable income.

226           7. From the income determined in subsections 2, 3, 4, 5 and 6 of this section to be from  
227 all sources within this state shall be deducted such of the deductions for expenses in determining

228 Missouri taxable income as were incurred in this state to produce such income and all losses  
229 actually sustained in this state in the business of the corporation.

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

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

243           10. The provisions of this section do not impact any other apportionment election  
244 available to a taxpayer under Missouri statutes **unless explicitly stated in this section.**

144.020. 1. A tax is hereby levied and imposed for the privilege of titling new and used  
2 motor vehicles, trailers, boats, and outboard motors purchased or acquired for use on the  
3 highways or waters of this state which are required to be titled under the laws of the state of  
4 Missouri and, except as provided in subdivision (9) of this subsection, upon all sellers for the  
5 privilege of engaging in the business of selling tangible personal property or rendering taxable  
6 service at retail in this state. The rate of tax shall be as follows:

7           (1) Upon every retail sale in this state of tangible personal property, excluding motor  
8 vehicles, trailers, motorcycles, mopeds, motortricycles, boats and outboard motors required to  
9 be titled under the laws of the state of Missouri and subject to tax under subdivision (9) of this  
10 subsection, a tax equivalent to four percent of the purchase price paid or charged, or in case such  
11 sale involves the exchange of property, a tax equivalent to four percent of the consideration paid  
12 or charged, including the fair market value of the property exchanged at the time and place of  
13 the exchange, except as otherwise provided in section 144.025;

14           (2) A tax equivalent to four percent of the amount paid for admission and seating  
15 accommodations, or fees paid to, or in any place of amusement, entertainment or recreation,  
16 games and athletic events, except amounts paid for any instructional class;

17           (3) A tax equivalent to four percent of the basic rate paid or charged on all sales of  
18 electricity or electrical current, water and gas, natural or artificial, to domestic, commercial or  
19 industrial consumers;

20 (4) A tax equivalent to four percent on the basic rate paid or charged on all sales of local  
21 and long distance telecommunications service to telecommunications subscribers and to others  
22 through equipment of telecommunications subscribers for the transmission of messages and  
23 conversations and upon the sale, rental or leasing of all equipment or services pertaining or  
24 incidental thereto; except that, the payment made by telecommunications subscribers or others,  
25 pursuant to section 144.060, and any amounts paid for access to the internet or interactive  
26 computer services shall not be considered as amounts paid for telecommunications services;

27 (5) A tax equivalent to four percent of the basic rate paid or charged for all sales of  
28 services for transmission of messages of telegraph companies;

29 (6) A tax equivalent to four percent on the amount of sales or charges for all rooms,  
30 meals and drinks furnished at any hotel, motel, tavern, inn, restaurant, eating house, drugstore,  
31 dining car, tourist cabin, tourist camp, **residential dwelling rental as defined under section**  
32 **67.5110**, or other place in which rooms, meals or drinks are regularly served to the public. The  
33 tax imposed under this subdivision shall not apply to any automatic mandatory gratuity for a  
34 large group imposed by a restaurant when such gratuity is reported as employee tip income and  
35 the restaurant withholds income tax under section 143.191 on such gratuity;

36 (7) A tax equivalent to four percent of the amount paid or charged for intrastate tickets  
37 by every person operating a railroad, sleeping car, dining car, express car, boat, airplane and such  
38 buses and trucks as are licensed by the division of motor carrier and railroad safety of the  
39 department of economic development of Missouri, engaged in the transportation of persons for  
40 hire;

41 (8) A tax equivalent to four percent of the amount paid or charged for rental or lease of  
42 tangible personal property, provided that if the lessor or renter of any tangible personal property  
43 had previously purchased the property under the conditions of sale at retail or leased or rented  
44 the property and the tax was paid at the time of purchase, lease or rental, the lessor, sublessor,  
45 renter or subrenter shall not apply or collect the tax on the subsequent lease, sublease, rental or  
46 subrental receipts from that property. The purchase, rental or lease of motor vehicles, trailers,  
47 motorcycles, mopeds, motortricycles, boats, and outboard motors shall be taxed and the tax paid  
48 as provided in this section and section 144.070. In no event shall the rental or lease of boats and  
49 outboard motors be considered a sale, charge, or fee to, for or in places of amusement,  
50 entertainment or recreation nor shall any such rental or lease be subject to any tax imposed to,  
51 for, or in such places of amusement, entertainment or recreation. Rental and leased boats or  
52 outboard motors shall be taxed under the provisions of the sales tax laws as provided under such  
53 laws for motor vehicles and trailers. Tangible personal property which is exempt from the sales  
54 or use tax under section 144.030 upon a sale thereof is likewise exempt from the sales or use tax  
55 upon the lease or rental thereof;

56 (9) A tax equivalent to four percent of the purchase price, as defined in section 144.070,  
57 of new and used motor vehicles, trailers, boats, and outboard motors purchased or acquired for  
58 use on the highways or waters of this state which are required to be registered under the laws of  
59 the state of Missouri. This tax is imposed on the person titling such property, and shall be paid  
60 according to the procedures in section 144.440.

61 2. All tickets sold which are sold under the provisions of sections 144.010 to 144.525  
62 which are subject to the sales tax shall have printed, stamped or otherwise endorsed thereon, the  
63 words "This ticket is subject to a sales tax."

144.087. 1. The director of revenue ~~[shall]~~ **may** require ~~[all applicants for]~~ retail sales  
2 ~~[licenses and all]~~ licensees in default in filing a return and paying their taxes when due to file a  
3 bond in an amount to be determined by the director, which may be a corporate surety bond or a  
4 cash bond, but such bond shall not be more than two times the average monthly tax liability of  
5 the taxpayer~~[, estimated in the case of a new applicant, otherwise]~~ based on the previous twelve  
6 months' experience. At such time as the director of revenue shall deem the amount of a bond  
7 required by this section to be insufficient to cover the average monthly tax liability of a given  
8 taxpayer, he **or she** may require such taxpayer to adjust the amount of the bond to the level  
9 satisfactory to the director which will cover the amount of such liability. The director shall, after  
10 a reasonable period of satisfactory tax compliance for one year from the initial date of bonding,  
11 release such taxpayer from the bonding requirement as set forth in this section. All itinerant or  
12 temporary businesses shall be required to procure the license and post the bond required under  
13 the provisions of sections 144.083 and 144.087 prior to the selling of goods at retail, and in the  
14 event that such business is to be conducted for less than one month, the amount of the bond shall  
15 be determined by the director.

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

22 3. ~~[An applicant or]~~ **A** licensee in default may, in lieu of filing any bond required under  
23 this section, provide the director of revenue with an irrevocable letter of credit, as defined in  
24 section ~~[400.5-103]~~ **400.5-102**, issued by any state or federally chartered financial institution, in  
25 an amount to be determined by the director or may obtain a certificate of deposit issued by any  
26 state or federally chartered financial institution, in an amount to be determined by the director,  
27 where such certificate of deposit is pledged to the department of revenue until released by the  
28 director in the same manner as bonds are released pursuant to subsection 1 of this section. As

29 used in this subsection, the term "certificate of deposit" means a certificate representing any  
30 deposit of funds in a state or federally chartered financial institution for a specified period of time  
31 which earns interest at a fixed or variable rate, where such funds cannot be withdrawn prior to  
32 a specified time without forfeiture of some or all of the earned interest.

**148.720. 1. For all tax years beginning in a calendar year in which there is a  
2 reduction in the rate of tax imposed under section 143.071, there shall be a corresponding  
3 and proportional reduction in the rate of tax imposed under subsection 2 of sections  
4 148.030, 148.140, and 148.620. The reduced rate shall be the applicable rate in each  
5 subsequent calendar year.**

**6 2. The reduction specified in subsection 1 of this section shall occur each year there  
7 is a reduction of the rate of tax imposed under section 143.071, including a reduction in the  
8 rate of tax by operation of another law or by the constitution.**

**Section 1. Notwithstanding any law to the contrary, any entity not subject to the  
2 tax on corporations under section 143.441 shall not be required to complete or file any  
3 document or return related to corporate income taxes.**

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