

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 2457**  
**99TH GENERAL ASSEMBLY**

6393H.05C

D. ADAM CRUMBLISS, Chief Clerk

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**AN ACT**

To repeal sections 66.390, 66.500, 67.662, 92.325, 92.327, 92.331, and 144.020, RSMo, and to enact in lieu thereof ten new sections relating to residential dwelling rentals.

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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Section A. Sections 66.390, 66.500, 67.662, 92.325, 92.327, 92.331, and 144.020, RSMo, are repealed and ten new sections enacted in lieu thereof, to be known as sections 66.390, 66.500, 67.180, 67.662, 67.5110, 92.325, 92.327, 92.331, 94.005, and 144.020, to read as follows:

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

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

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

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

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.

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.

**67.5110. 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) "Reasonable regulation", any ordinance or law that does not expressly prohibit**  
16 **or have the practical effect of prohibiting residential dwelling rentals;**  
17       **(9) "Residential dwelling", any building, structure, or part of a building or**  
18 **structure that is used and occupied for human habitation or intended to be so used,**  
19 **including any appurtenances belonging to it or enjoyed with it;**  
20       **(10) "Residential dwelling rental", a single residential dwelling or any part thereof**  
21 **offered for rent to transient guests. This definition shall not include a time-share unit, as**  
22 **defined under section 407.600, or a lodging establishment, as defined under section**  
23 **315.005;**  
24       **(11) "Transient guest", any person who rents and occupies a guest room in a**  
25 **residential dwelling rental for no more than thirty-one consecutive days during a calendar**  
26 **quarter.**  
27       **2. Before August 28, 2019, any political subdivision that enacted a law, ordinance,**  
28 **or code before August 28, 2018, that prohibits the use of a residential dwelling as a**

29 residential dwelling rental shall modify or repeal such law, ordinance, or code so that  
30 residential dwelling may be used as residential dwelling rentals in the political subdivision.  
31 On and after August 28, 2019, no political subdivision shall enforce or maintain a law,  
32 ordinance, or code that prohibits the use of a residential dwelling as a residential dwelling  
33 rental.

34 3. On and after August 28, 2018, no political subdivision shall enact a law,  
35 ordinance, or code that prohibits the use of a residential dwelling as a residential dwelling  
36 rental. However, if a residential dwelling is not the owner's primary residence and is  
37 occupied by a transient guest for more than ninety days per year, a political subdivision  
38 may require such owner to obtain a special use permit for such residential dwelling. The  
39 requirements for the issuance or maintenance of such a special use permit shall only  
40 include reasonable regulations and shall not include an unreasonable fee.

41 4. A political subdivision may impose reasonable regulations on residential  
42 dwellings to protect public health and safety, morals, and general welfare and to regulate  
43 the density of residential dwelling rentals in any zoning district. No regulation shall be  
44 imposed on residential dwelling rentals unless such regulation also applies to residential  
45 dwellings that are not offered for rent to transient guests. No commercial building code  
46 shall apply to a residential dwelling. No business license shall be required to use a  
47 residential dwelling as a residential dwelling rental.

48 5. If a residential dwelling is used as an owner's primary residence and as a  
49 residential dwelling rental, such use shall be considered residential use for the purposes of  
50 zoning. If a residential dwelling rental that is not the owner's primary residence is  
51 occupied by a transient guest for no more than one-hundred eighty days per year, such  
52 residential dwelling rental shall be considered as used for residential use for the purposes  
53 of zoning.

54 6. A transient guest occupying a guest room in a residential dwelling rental shall  
55 pay, and an owner shall collect and remit, any sales tax, hotel and motel tax, occupancy tax,  
56 tourism tax, or other tax imposed on transient guests by the state or by a local political  
57 subdivision or taxing authority in which the residential dwelling rental is located, including  
58 any such taxes authorized under this chapter or chapter 66, 92, 94, or 144. Taxes shall be  
59 collected and remitted as follows:

60 (1) If an owner uses a facilitation platform, the facilitation platform shall collect  
61 and remit on behalf of the owner any applicable state and local taxes imposed on rentals  
62 facilitated by the facilitation platform for the occupancy of a guest room in a residential  
63 dwelling rental or lodging establishment, as that term is defined under section 315.005, by  
64 a transient guest. A facilitation platform may comply with this requirement by entering

65 into a voluntary agreement with the department of revenue and any political subdivision  
66 or taxing authority to collect and remit applicable taxes, whether the tax imposed be a sales  
67 tax, hotel and motel tax, occupancy tax, tourism tax, or otherwise, and shall be deemed to  
68 be compliant with this section for as long as that agreement is in force. A facilitation  
69 platform that is collecting and remitting applicable taxes shall report the taxes and remit  
70 the aggregate total amounts to each taxing authority and shall not be required to list or  
71 otherwise identify any individual owners on any return or attachments to a return. A  
72 property manager that collects and remits on behalf of an owner taxes imposed on the  
73 occupancy of a guest room in a residential dwelling by a transient guest shall not be  
74 considered a facilitation platform. For purposes of the collection and remittance by a  
75 facilitation platform of any state sales tax imposed on a transient guest for the occupancy  
76 of a guest room in a residential dwelling rental, the provisions of sections 32.096 to 32.110,  
77 sections 136.010 to 136.380, and sections 144.010 to 144.525 shall apply; and

78 (2) If an owner uses a marketing platform, an owner shall obtain a certificate of no  
79 tax due and a retail sales tax license prior to renting a residential dwelling rental to a  
80 transient guest. The owner shall disclose to the transient guest the obligation to pay any  
81 applicable state and local taxes, and the owner shall collect and remit any applicable state  
82 and local taxes imposed on the occupancy of a guest room in a residential dwelling rental  
83 by a transient guest.

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

86 7. A facilitation platform or a marketing platform shall maintain records of any  
87 rentals facilitated for a period of three years from the date of rental for audits requested  
88 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.**

          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."

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