

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for Senate Substitute No. 2 for Senate Bill No. 704, Page 1,
2 Section A, Line 9, by inserting after all of said section and line the following:

3
4 "32.070. 1. This act shall be known and may be cited as the "Utilizing Streamlined Sales
5 and Use Tax Services Act".

6 2. For purposes of this section, the following terms shall mean:

7 (1) "Central registration system", the central registration provided by the governing board
8 under Article IV of the Streamlined Sales and Use Tax Agreement;

9 (2) "Certified service provider", an agent certified by the governing board to perform the
10 seller's sales and use tax functions, as provided for under the governing board's contract with such
11 providers;

12 (3) "Department", the department of revenue;

13 (4) "Governing board", the Streamlined Sales and Use Tax Agreement's Governing Board,
14 including its various committees that address certified service provider and central registration
15 services and issues.

16 3. The department may register this state with the governing board to participate in the
17 Streamlined Sales and Use Tax Agreement as a nonmember state, and the department is hereby
18 authorized to take all such actions as may be reasonably required to do so. Such actions may
19 include, but are not limited to, the adoption of rules and regulations and the procurement of various
20 goods and services, which may be coordinated jointly with the governing board and with other
21 states. If the department registers this state as a nonmember state, the department shall also
22 complete and periodically update a certificate of compliance and taxability matrix that notes how
23 this state's sales and use tax laws follow and deviate from the Streamlined Sales and Use Tax
24 Agreement requirements.

25 4. The department is hereby authorized to consult, contract, and work jointly with the
26 governing board, and other states as necessary, to allow sellers to use the governing board's certified
27 service providers and central registration system services.

28 5. The department is hereby authorized to collaborate with the governing board to:

29 (1) Establish and provide a certification process to allow certified service providers to
30 receive compensation according to a defined compensation structure; and

31 (2) Enter into any necessary contractual relationships between this state, the governing
32 board, and certified service providers. Such contractual relationships may address:

33 (a) Responsibilities of the governing board, certified service providers, and the sellers that
34 contract with certified service providers relating to the liability for proper collection and remittance
35 of sales and use taxes;

36 (b) Responsibilities of the governing board, certified service providers, and the sellers that

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1 contract with certified service providers, relating to record keeping, auditing, and the protection of
2 taxpayer information confidentiality; and

3 (c) The method and amount of compensation to be provided to certified service providers by
4 this state for the services of such certified service providers to certain sellers.

5 6. The department is hereby authorized to pay any necessary annual dues to the governing
6 board for this state's participation as a nonmember state in the Streamlined Sales and Use Tax
7 Agreement and for the associated privileges and benefits of such participation. Such dues shall not
8 exceed the dues that would be owed to the governing board if this state were deemed a full member
9 state under the Streamlined Sales and Use Tax Agreement.

10 7. If the department registers this state as a nonmember state under subsection 3 of this
11 section, the department shall comply with the governing board's requirements relating to the use of
12 the board's central registration system. The department is hereby explicitly authorized to enter into
13 a contract with the governing board relating to the use of the central registration system; provided
14 that, any such contract shall only impose upon this state such requirements as are consistent with
15 any requirements imposed upon full member states to the Streamlined Sales and Use Tax
16 Agreement.

17 8. The department may promulgate all necessary rules and regulations for the administration
18 of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is
19 created under the authority delegated in this section shall become effective only if it complies with
20 and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section
21 and chapter 536 are nonseverable, and if any of the powers vested with the general assembly
22 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
23 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or
24 adopted after the effective date of this act shall be invalid and void.

25 32.071. 1. Beginning on the effective date of the utilizing streamlined sales and use tax
26 services act, all revenue generated under the act that exceeds the amount that would have been
27 collected if the act were not effective shall be deposited in the streamlined sales and use tax
28 agreement special fund created in this section and appropriated solely for the approved purposes.
29 The department of revenue shall track and report the collections generated under this act.

30 2. There is hereby created in the state treasury the "Streamlined Sales and Use Tax
31 Agreement Special Fund", which shall consist of moneys collected under this subsection. The state
32 treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state
33 treasurer may approve disbursements. The fund shall be a dedicated fund and, upon appropriation,
34 moneys in the fund shall be transferred only to pay for outstanding transportation bond debt.
35 Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund
36 at the end of the biennium shall not revert to the credit of the general revenue fund. The state
37 treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any
38 interest and moneys earned on such investments shall be credited to the fund.

39 3. Under section 23.253 of the Missouri sunset act:

40 (a) The provisions of this section shall automatically sunset five years after the effective
41 date of this section unless reauthorized by an act of the general assembly;

42 (b) If the provisions of this section are reauthorized, such provisions shall automatically
43 sunset five years after the effective date of their reauthorization; and

44 (c) This section shall terminate on January first of the calendar year immediately following
45 the calendar year in which the provisions of this section are sunset.

46 32.087. 1. Within ten days after the adoption of any ordinance or order in favor of adoption
47 of any local sales tax authorized under the local sales tax law by the voters of a taxing entity, the
48 governing body or official of such taxing entity shall forward to the director of revenue by United
49 States registered mail or certified mail a certified copy of the ordinance or order. [The ordinance or

1 ~~order shall reflect the effective date thereof.]~~

2 2. Any local sales tax so adopted shall become effective ~~[on the first day of the second~~
3 ~~calendar quarter after the director of revenue receives notice of adoption of the local sales tax,~~
4 ~~except]~~ as provided in subsection ~~[18]~~ 19 of this section, and shall be imposed on all transactions on
5 which the Missouri state sales tax is imposed.

6 3. Every retailer within the jurisdiction of one or more taxing entities which has imposed
7 one or more local sales taxes under the local sales tax law shall add all taxes so imposed along with
8 the tax imposed by the sales tax law of the state of Missouri to the sale price and, when added, the
9 combined tax shall constitute a part of the price, and shall be a debt of the purchaser to the retailer
10 until paid, and shall be recoverable at law in the same manner as the purchase price. The combined
11 rate of the state sales tax and all local sales taxes shall be the sum of the rates, multiplying the
12 combined rate times the amount of the sale.

13 4. ~~[The brackets required to be established by the director of revenue under the provisions of~~
14 ~~section 144.285 shall be based upon the sum of the combined rate of the state sales tax and all local~~
15 ~~sales taxes imposed under the provisions of the local sales tax law.~~

16 ~~_____5.]~~ (1) The ordinance or order imposing a local sales tax under the local sales tax law shall
17 impose a tax upon all transactions upon which the Missouri state sales tax is imposed to the extent
18 and in the manner provided in ~~[sections 144.010 to 144.525]~~ chapter 144, and the rules and
19 regulations of the director of revenue issued pursuant thereto; except that the rate of the tax shall be
20 the sum of the combined rate of the state sales tax or state highway use tax and all local sales taxes
21 imposed under the provisions of the local sales tax law.

22 (2) Notwithstanding any other provision of law to the contrary, local taxing jurisdictions,
23 except those in which voters have previously approved a local use tax under section 144.757, shall
24 have placed on the ballot on or after the general election in November 2014, but no later than the
25 general election in November 2022, whether to repeal application of the local sales tax to the titling
26 of motor vehicles, trailers, boats, and outboard motors that are subject to state sales tax under
27 section 144.020 and purchased from a source other than a licensed Missouri dealer. The ballot
28 question presented to the local voters shall contain substantially the following language:

29
30 Shall the _____ (local jurisdiction's name) discontinue applying and collecting
31 the local sales tax on the titling of motor vehicles, trailers, boats, and outboard
32 motors that were purchased from a source other than a licensed Missouri dealer?
33 Approval of this measure will result in a reduction of local revenue to provide for
34 vital services for _____ (local jurisdiction's name) and it will place Missouri
35 dealers of motor vehicles, outboard motors, boats, and trailers at a competitive
36 disadvantage to non-Missouri dealers of motor vehicles, outboard motors, boats, and
37 trailers.

38 YES NO

39
40 If you are in favor of the question, place an "X" in the box opposite "YES". If you are
41 opposed to the question, place an "X" in the box opposite "NO".
42

43 (3) If the ballot question set forth in subdivision (2) of this subsection receives a majority of
44 the votes cast in favor of the proposal, or if the local taxing jurisdiction fails to place the ballot
45 question before the voters on or before the general election in November 2022, the local taxing
46 jurisdiction shall cease applying the local sales tax to the titling of motor vehicles, trailers, boats,
47 and outboard motors that were purchased from a source other than a licensed Missouri dealer.

48 (4) In addition to the requirement that the ballot question set forth in subdivision (2) of this
49 subsection be placed before the voters, the governing body of any local taxing jurisdiction that had

1 previously imposed a local use tax on the use of motor vehicles, trailers, boats, and outboard motors
 2 may, at any time, place a proposal on the ballot at any election to repeal application of the local sales
 3 tax to the titling of motor vehicles, trailers, boats, and outboard motors purchased from a source
 4 other than a licensed Missouri dealer. If a majority of the votes cast by the registered voters voting
 5 thereon are in favor of the proposal to repeal application of the local sales tax to such titling, then
 6 the local sales tax shall no longer be applied to the titling of motor vehicles, trailers, boats, and
 7 outboard motors purchased from a source other than a licensed Missouri dealer. If a majority of the
 8 votes cast by the registered voters voting thereon are opposed to the proposal to repeal application
 9 of the local sales tax to such titling, such application shall remain in effect.

10 (5) In addition to the requirement that the ballot question set forth in subdivision (2) of this
 11 subsection be placed before the voters on or after the general election in November 2014, and on or
 12 before the general election in November 2022, whenever the governing body of any local taxing
 13 jurisdiction imposing a local sales tax on the sale of motor vehicles, trailers, boats, and outboard
 14 motors receives a petition, signed by fifteen percent of the registered voters of such jurisdiction
 15 voting in the last gubernatorial election, and calling for a proposal to be placed on the ballot at any
 16 election to repeal application of the local sales tax to the titling of motor vehicles, trailers, boats, and
 17 outboard motors purchased from a source other than a licensed Missouri dealer, the governing body
 18 shall submit to the voters of such jurisdiction a proposal to repeal application of the local sales tax to
 19 such titling. If a majority of the votes cast by the registered voters voting thereon are in favor of the
 20 proposal to repeal application of the local sales tax to such titling, then the local sales tax shall no
 21 longer be applied to the titling of motor vehicles, trailers, boats, and outboard motors purchased
 22 from a source other than a licensed Missouri dealer. If a majority of the votes cast by the registered
 23 voters voting thereon are opposed to the proposal to repeal application of the local sales tax to such
 24 titling, such application shall remain in effect.

25 (6) Nothing in this subsection shall be construed to authorize the voters of any jurisdiction
 26 to repeal application of any state sales or use tax.

27 (7) If any local sales tax on the titling of motor vehicles, trailers, boats, and outboard motors
 28 purchased from a source other than a licensed Missouri dealer is repealed, such repeal shall take
 29 effect ~~[on the first day of the second calendar quarter after the election]~~ as provided in subsection 19
 30 of this section. If any local sales tax on the titling of motor vehicles, trailers, boats, and outboard
 31 motors purchased from a source other than a licensed Missouri dealer is required to cease to be
 32 applied or collected due to failure of a local taxing jurisdiction to hold an election pursuant to
 33 subdivision (2) of this subsection, such cessation shall take effect on March 1, 2023.

34 (8) Notwithstanding any provision of law to the contrary, if any local sales tax on the titling
 35 of motor vehicles, trailers, boats, and outboard motors purchased from a source other than a licensed
 36 Missouri dealer is repealed after the general election in November 2014, or if the taxing jurisdiction
 37 failed to present the ballot to the voters at a general election on or before November 2022, then the
 38 governing body of such taxing jurisdiction may, at any election subsequent to the repeal or after the
 39 general election in November 2022, if the jurisdiction failed to present the ballot to the voters, place
 40 before the voters the issue of imposing a sales tax on the titling of motor vehicles, trailers, boats, and
 41 outboard motors that are subject to state sales tax under section 144.020 that were purchased from a
 42 source other than a licensed Missouri dealer. The ballot question presented to the local voters shall
 43 contain substantially the following language:

44
 45 Shall the _____ (local jurisdiction's name) apply and collect the local sales tax
 46 on the titling of motor vehicles, trailers, boats, and outboard motors that are subject
 47 to state sales tax under section 144.020 and purchased from a source other than a
 48 licensed Missouri dealer?

49 Approval of this measure will result in an increase of local revenue to provide for

1 vital services for _____ (local jurisdiction's name), and it will remove a
 2 competitive advantage that non-Missouri dealers of motor vehicles, outboard motors,
 3 boats, and trailers have over Missouri dealers of motor vehicles, outboard motors,
 4 boats, and trailers.

5 YES NO

6
 7 If you are in favor of the question, place an "X" in the box opposite "YES". If you are
 8 opposed to the question, place an "X" in the box opposite "NO".
 9

10 (9) If any local sales tax on the titling of motor vehicles, trailers, boats, and outboard motors
 11 purchased from a source other than a licensed Missouri dealer is adopted, such tax shall take effect
 12 and be imposed ~~[on the first day of the second calendar quarter after the election]~~ as provided in
 13 subsection 19 of this section.

14 ~~[6.]~~ 5. On and after the effective date of any local sales tax imposed under the provisions of
 15 the local sales tax law, the director of revenue shall perform all functions incident to the
 16 administration, collection, enforcement, and operation of the tax, and the director of revenue shall
 17 collect in addition to the sales tax for the state of Missouri all additional local sales taxes authorized
 18 under the authority of the local sales tax law. All local sales taxes imposed under the local sales tax
 19 law together with all taxes imposed under the sales tax law of the state of Missouri shall be collected
 20 together and reported upon such forms and under such administrative rules and regulations as may
 21 be prescribed by the director of revenue.

22 ~~[7.]~~ 6. All applicable provisions contained in ~~[sections 144.010 to 144.525]~~ chapter 144
 23 governing the state sales tax and section 32.057, the uniform confidentiality provision, shall apply to
 24 the collection of any local sales tax imposed under the local sales tax law except as modified by the
 25 local sales tax law.

26 ~~[8.]~~ 7. All exemptions granted to agencies of government, organizations, persons and to the
 27 sale of certain articles and items of tangible personal property and taxable services under ~~[the~~
 28 ~~provisions of sections 144.010 to 144.525]~~ chapter 144, as these sections now read and as they may
 29 hereafter be amended, it being the intent of this general assembly to ensure that the same sales tax
 30 exemptions granted from the state sales tax law also be granted under the local sales tax law, are
 31 hereby made applicable to the imposition and collection of all local sales taxes imposed under the
 32 local sales tax law.

33 ~~[9.]~~ 8. The same sales tax permit, exemption certificate and retail certificate required ~~[by~~
 34 ~~sections 144.010 to 144.525]~~ under chapter 144 for the administration and collection of the state
 35 sales tax shall satisfy the requirements of the local sales tax law, and no additional permit or
 36 exemption certificate or retail certificate shall be required; except that the director of revenue may
 37 prescribe a form of exemption certificate for an exemption from any local sales tax imposed by the
 38 local sales tax law.

39 ~~[10.]~~ 9. All discounts allowed the retailer under the provisions of the state sales tax law for
 40 the collection of and for payment of taxes under the provisions of the state sales tax law are hereby
 41 allowed and made applicable to any local sales tax collected under the provisions of the local sales
 42 tax law.

43 ~~[11.]~~ 10. The penalties provided in section 32.057 and ~~[sections 144.010 to 144.525]~~ chapter
 44 144 for a violation of the provisions of those sections are hereby made applicable to violations of the
 45 provisions of the local sales tax law.

46 ~~[12. (1)]~~ 11. For the purposes of any local sales tax imposed by an ordinance or order under
 47 the local sales tax law, all sales~~, except the sale of motor vehicles, trailers, boats, and outboard~~
 48 ~~motors required to be titled under the laws of the state of Missouri, shall be deemed to be~~
 49 ~~consummated at the place of business of the retailer unless the tangible personal property sold is~~

1 delivered by the retailer or his agent to an out-of-state destination. In the event a retailer has more
 2 than one place of business in this state which participates in the sale, the sale shall be deemed to be
 3 consummated at the place of business of the retailer where the initial order for the tangible personal
 4 property is taken, even though the order must be forwarded elsewhere for acceptance, approval of
 5 credit, shipment or billing. A sale by a retailer's agent or employee shall be deemed to be
 6 consummated at the place of business from which he works.

7 ~~_____ (2) For the purposes of any local sales tax imposed by an ordinance or order under the local~~
 8 ~~sales tax law, the sales tax upon the titling of all motor vehicles, trailers, boats, and outboard motors~~
 9 ~~shall be imposed at the rate in effect at the location of the residence of the purchaser, and remitted to~~
 10 ~~that local taxing entity, and not at the place of business of the retailer, or the place of business from~~
 11 ~~which the retailer's agent or employee works.~~

12 ~~_____ (3) For the purposes of any local tax imposed by an ordinance or under the local sales tax~~
 13 ~~law on charges for mobile telecommunications services, all taxes of mobile telecommunications~~
 14 ~~service shall be imposed as provided in the Mobile Telecommunications Sourcing Act, 4 U.S.C.~~
 15 ~~Sections 116 through 124, as amended] shall be sourced as provided by sections 144.111 to 144.114.~~

16 [13.] 12. Local sales taxes shall not be imposed on the seller of motor vehicles, trailers,
 17 boats, and outboard motors required to be titled under the laws of the state of Missouri, but shall be
 18 collected from the purchaser by the director of revenue at the time application is made for a
 19 certificate of title, if the address of the applicant is within a taxing entity imposing a local sales tax
 20 under the local sales tax law.

21 [14.] 13. The director of revenue and any of his deputies, assistants and employees who
 22 have any duties or responsibilities in connection with the collection, deposit, transfer, transmittal,
 23 disbursement, safekeeping, accounting, or recording of funds which come into the hands of the
 24 director of revenue under the provisions of the local sales tax law shall enter a surety bond or bonds
 25 payable to any and all taxing entities in whose behalf such funds have been collected under the local
 26 sales tax law in the amount of one hundred thousand dollars for each such tax; but the director of
 27 revenue may enter into a blanket bond covering himself and all such deputies, assistants and
 28 employees. The cost of any premium for such bonds shall be paid by the director of revenue from
 29 the share of the collections under the sales tax law retained by the director of revenue for the benefit
 30 of the state.

31 [15.] 14. The director of revenue shall annually report on his management of each trust fund
 32 which is created under the local sales tax law and administration of each local sales tax imposed
 33 under the local sales tax law. He shall provide each taxing entity imposing one or more local sales
 34 taxes authorized by the local sales tax law with a detailed accounting of the source of all funds
 35 received by him for the taxing entity. Notwithstanding any other provisions of law, the state auditor
 36 shall annually audit each trust fund. A copy of the director's report and annual audit shall be
 37 forwarded to each taxing entity imposing one or more local sales taxes.

38 [16.] 15. Within the boundaries of any taxing entity where one or more local sales taxes
 39 have been imposed, if any person is delinquent in the payment of the amount required to be paid by
 40 him under the local sales tax law or in the event a determination has been made against him for
 41 taxes and penalty under the local sales tax law, the limitation for bringing suit for the collection of
 42 the delinquent tax and penalty shall be the same as that provided in [sections 144.010 to 144.525]
 43 chapter 144. Where the director of revenue has determined that suit must be filed against any
 44 person for the collection of delinquent taxes due the state under the state sales tax law, and where
 45 such person is also delinquent in payment of taxes under the local sales tax law, the director of
 46 revenue shall notify the taxing entity in the event any person fails or refuses to pay the amount of
 47 any local sales tax due so that appropriate action may be taken by the taxing entity.

48 [17.] 16. Where property is seized by the director of revenue under the provisions of any
 49 law authorizing seizure of the property of a taxpayer who is delinquent in payment of the tax

1 imposed by the state sales tax law, and where such taxpayer is also delinquent in payment of any tax
 2 imposed by the local sales tax law, the director of revenue shall permit the taxing entity to join in
 3 any sale of property to pay the delinquent taxes and penalties due the state and to the taxing entity
 4 under the local sales tax law. The proceeds from such sale shall first be applied to all sums due the
 5 state, and the remainder, if any, shall be applied to all sums due such taxing entity.

6 ~~[18.]~~ 17. If a local sales tax has been in effect for at least one year under the provisions of
 7 the local sales tax law and voters approve reimposition of the same local sales tax at the same rate at
 8 an election as provided for in the local sales tax law prior to the date such tax is due to expire, the
 9 tax so reimposed shall become effective ~~[the first day of the first calendar quarter after the director~~
 10 ~~receives a certified copy of the ordinance, order or resolution accompanied by a map clearly~~
 11 ~~showing the boundaries thereof and the results of such election, provided that such ordinance, order~~
 12 ~~or resolution and all necessary accompanying materials are received by the director at least thirty~~
 13 ~~days prior to the expiration of such tax]~~ as provided by subsection 19 of this section. Any
 14 administrative cost or expense incurred by the state as a result of the provisions of this subsection
 15 shall be paid by the city or county reimposing such tax.

16 18. If the boundaries of a city in which a sales or use tax has been imposed are thereafter
 17 changed or altered, the city clerk shall forward to the director of revenue, by United States
 18 registered mail or certified mail, a certified copy of the ordinance adding or detaching territory from
 19 the city within ten days of adoption of the ordinance. The ordinance shall reflect the effective date
 20 of the ordinance and shall be accompanied by a map of the city clearly showing the territory added
 21 or detached from the city boundaries. Upon receipt of the ordinance and map, the tax imposed
 22 under the local sales or use tax law shall be effective in the added territory or abolished in the
 23 detached territory on the first day of the calendar quarter after one hundred twenty days' notice to
 24 sellers.

25 19. (1) The effective date for the imposition, repeal, or rate change of each local sales or
 26 use tax is the first day of the calendar quarter after a minimum of one hundred twenty days' notice to
 27 sellers. In all cases where notice is required to be made to the director of revenue by a local taxing
 28 jurisdiction, such notice shall be made at least one hundred twenty days prior to the effective date
 29 for the imposition, repeal, or rate change of a local sales or use tax.

30 (2) The effective date for any local jurisdiction boundary change for sales or use tax
 31 purposes is the first day of the calendar quarter after a minimum of one hundred twenty days' notice
 32 to sellers.

33 20. (1) For a rate increase, the new rate shall apply to the first billing period starting on or
 34 after the effective date.

35 (2) For a rate decrease, the new rate shall apply to bills rendered on or after the effective
 36 date."; and

37
 38 Further amend said bill, Page 61, Section 143.991, Line 32, by inserting after all of said section and
 39 line the following:

40
 41 "144.020. 1. A tax is hereby levied and imposed for the privilege of titling new and used
 42 motor vehicles, trailers, boats, and outboard motors purchased or acquired for use on the highways
 43 or waters of this state which are required to be titled under the laws of the state of Missouri and,
 44 except as provided in subdivision (9) of this subsection, upon all sellers for the privilege of engaging
 45 in the business of selling tangible personal property or rendering taxable service at retail in this
 46 state. The rate of tax levied and imposed shall be equivalent to four percent of the following
 47 amounts as [follows] described in this section:

48 (1) The purchase price paid or charged upon every retail sale in this state of tangible
 49 personal property, excluding motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats

1 and outboard motors required to be titled under the laws of the state of Missouri and subject to tax
 2 under subdivision (9) of this subsection, ~~[a tax equivalent to four percent of the purchase price paid~~
 3 ~~or charged,]~~ or in case such sale involves the exchange of property, ~~[a tax equivalent to four percent~~
 4 ~~of]~~ the consideration paid or charged, including the fair market value of the property exchanged at
 5 the time and place of the exchange, except as otherwise provided in section 144.025;

6 (2) ~~[A tax equivalent to four percent of]~~ The amount paid for admission and seating
 7 accommodations, or fees paid to, or in any place of amusement, entertainment or recreation, games
 8 and athletic events, except amounts paid for any instructional class;

9 (3) ~~[A tax equivalent to four percent of]~~ The basic rate paid or charged on all sales of
 10 electricity or electrical current, water and gas, natural or artificial, to domestic, commercial or
 11 industrial consumers;

12 (4) (a) ~~[A tax equivalent to four percent on]~~ The basic rate paid or charged on all sales of
 13 local and long distance telecommunications service to telecommunications subscribers and to others
 14 through equipment of telecommunications subscribers for the transmission of messages and
 15 conversations and upon the sale, rental or leasing of all equipment or services pertaining or
 16 incidental thereto; except that, the payment made by telecommunications subscribers or others,
 17 pursuant to section 144.060, and any amounts paid for access to the internet or interactive computer
 18 services shall not be considered as amounts paid for telecommunications services;

19 (b) If local and long distance telecommunications services subject to tax under this
 20 subdivision are aggregated with and not separately stated from charges for telecommunications
 21 service or other services not subject to tax under this subdivision, including, but not limited to,
 22 interstate or international telecommunications services, then the charges for nontaxable services may
 23 be subject to taxation unless the telecommunications provider can identify by reasonable and
 24 verifiable standards such portion of the charges not subject to such tax from its books and records
 25 that are kept in the regular course of business, including, but not limited to, financial statement,
 26 general ledgers, invoice and billing systems and reports, and reports for regulatory tariffs and other
 27 regulatory matters;

28 (c) A telecommunications provider shall notify the director of revenue of its intention to
 29 utilize the standards described in paragraph (b) of this subdivision to determine the charges that are
 30 subject to sales tax under this subdivision. Such notification shall be in writing and shall meet
 31 standardized criteria established by the department regarding the form and format of such notice;

32 (d) The director of revenue may promulgate and enforce reasonable rules and regulations for
 33 the administration and enforcement of the provisions of this subdivision. Any rule or portion of a
 34 rule, as that term is defined in section 536.010, that is created under the authority delegated in this
 35 section shall become effective only if it complies with and is subject to all of the provisions of
 36 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and
 37 if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the
 38 effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the
 39 grant of rulemaking authority and any rule proposed or adopted after August 28, 2019, shall be
 40 invalid and void;

41 (5) ~~[A tax equivalent to four percent of]~~ The basic rate paid or charged for all sales of
 42 services for transmission of messages of telegraph companies;

43 (6) ~~[A tax equivalent to four percent on]~~ The amount of sales or charges for all rooms, meals
 44 and drinks furnished at any hotel, motel, tavern, inn, restaurant, eating house, drugstore, dining car,
 45 tourist cabin, tourist camp or other place in which rooms, meals or drinks are regularly served to the
 46 public. The tax imposed under this subdivision shall not apply to any automatic mandatory gratuity
 47 for a large group imposed by a restaurant when such gratuity is reported as employee tip income and
 48 the restaurant withholds income tax under section 143.191 on such gratuity;

49 (7) ~~[A tax equivalent to four percent of]~~ The amount paid or charged for intrastate tickets by

1 every person operating a railroad, sleeping car, dining car, express car, boat, airplane and such buses
2 and trucks as are licensed by the division of motor carrier and railroad safety of the department of
3 economic development of Missouri, engaged in the transportation of persons for hire;

4 (8) ~~[A tax equivalent to four percent of]~~ The amount paid or charged for rental or lease of
5 tangible personal property, provided that if the lessor or renter of any tangible personal property had
6 previously purchased the property under the conditions of sale at retail or leased or rented the
7 property and the tax was paid at the time of purchase, lease or rental, the lessor, sublessor, renter or
8 subrenter shall not apply or collect the tax on the subsequent lease, sublease, rental or subrental
9 receipts from that property. The purchase, rental or lease of motor vehicles, trailers, motorcycles,
10 mopeds, motortricycles, boats, and outboard motors shall be taxed and the tax paid as provided in
11 this section and section 144.070. In no event shall the rental or lease of boats and outboard motors
12 be considered a sale, charge, or fee to, for or in places of amusement, entertainment or recreation
13 nor shall any such rental or lease be subject to any tax imposed to, for, or in such places of
14 amusement, entertainment or recreation. Rental and leased boats or outboard motors shall be taxed
15 under the provisions of the sales tax laws as provided under such laws for motor vehicles and
16 trailers. Tangible personal property which is exempt from the sales or use tax under section 144.030
17 upon a sale thereof is likewise exempt from the sales or use tax upon the lease or rental thereof;

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

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

26 3. For all fiscal years beginning on or after July 1, 2021, the director of revenue shall reduce
27 the rate of tax imposed in subsection 1 of this section by one-tenth of one percent if the total amount
28 of net revenue collected by the state has increased in each of the previous three fiscal years by at
29 least seventy-five million dollars. No more than one reduction shall occur in a fiscal year and no
30 more than five total reductions shall occur.

31 144.049. 1. For purposes of this section, the following terms mean:

32 (1) "Clothing", any article of wearing apparel intended to be worn on or about the human
33 body including, but not limited to, disposable diapers for infants or adults and footwear. The term
34 shall include, but not be limited to, cloth and other material used to make school uniforms or other
35 school clothing. Items normally sold in pairs shall not be separated to qualify for the exemption.
36 The term shall not include watches, watchbands, jewelry, handbags, handkerchiefs, umbrellas,
37 scarves, ties, headbands, or belt buckles; and

38 (2) "Personal computers", a laptop, desktop, or tower computer system which consists of a
39 central processing unit, random access memory, a storage drive, a display monitor, and a keyboard
40 and devices designed for use in conjunction with a personal computer, such as a disk drive, memory
41 module, compact disk drive, daughterboard, digitizer, microphone, modem, motherboard, mouse,
42 multimedia speaker, printer, scanner, single-user hardware, single-user operating system, soundcard,
43 or video card;

44 (3) "School supplies", any item normally used by students in a standard classroom for
45 educational purposes, including but not limited to textbooks, notebooks, paper, writing instruments,
46 crayons, art supplies, rulers, book bags, backpacks, handheld calculators, chalk, maps, and globes.
47 The term shall not include watches, radios, CD players, headphones, sporting equipment, portable or
48 desktop telephones, copiers or other office equipment, furniture, or fixtures. School supplies shall
49 also include computer software having a taxable value of three hundred fifty dollars or less and any

1 graphing calculator having a taxable value of one hundred fifty dollars or less.

2 2. In each year beginning on or after January 1, 2005, there is hereby specifically exempted
3 from state and local sales tax law all retail sales of any article of clothing having a taxable value of
4 one hundred dollars or less, all retail sales of school supplies not to exceed fifty dollars per
5 purchase, all computer software with a taxable value of three hundred fifty dollars or less, all
6 graphing calculators having a taxable value of one hundred fifty dollars or less, and all retail sales of
7 personal computers or computer peripheral devices not to exceed one thousand five hundred dollars,
8 during a three-day period beginning at 12:01 a.m. on the first Friday in August and ending at
9 midnight on the Sunday following. Where a purchaser and seller are located in two different time
10 zones, the time zone of the seller's location shall determine the authorized exemption period.

11 ~~3. [If the governing body of any political subdivision adopted an ordinance that applied to~~
12 ~~the 2004 sales tax holiday to prohibit the provisions of this section from allowing the sales tax~~
13 ~~holiday to apply to such political subdivision's local sales tax, then, notwithstanding any provision~~
14 ~~of a local ordinance to the contrary, the 2005 sales tax holiday shall not apply to such political~~
15 ~~subdivision's local sales tax. However, any such political subdivision may enact an ordinance to~~
16 ~~allow the 2005 sales tax holiday to apply to its local sales taxes. A political subdivision must notify~~
17 ~~the department of revenue not less than forty-five calendar days prior to the beginning date of the~~
18 ~~sales tax holiday occurring in that year of any ordinance or order rescinding an ordinance or order to~~
19 ~~opt out.~~

20 ~~—4.] This section shall not apply to any sales which take place within the Missouri state~~
21 ~~fairgrounds.~~

22 ~~[5.] 4. This section applies to sales of items bought for personal use only.~~

23 ~~[6. After the 2005 sales tax holiday, any political subdivision may, by adopting an ordinance~~
24 ~~or order, choose to prohibit future annual sales tax holidays from applying to its local sales tax.~~
25 ~~After opting out, the political subdivision may rescind the ordinance or order. The political~~
26 ~~subdivision must notify the department of revenue not less than forty-five calendar days prior to the~~
27 ~~beginning date of the sales tax holiday occurring in that year of any ordinance or order rescinding an~~
28 ~~ordinance or order to opt out.~~

29 ~~—7.] 5. This section may not apply to any retailer when less than two percent of the retailer's~~
30 ~~merchandise offered for sale qualifies for the sales tax holiday. The retailer [shall] may offer a sales~~
31 ~~tax refund in lieu of the sales tax holiday.~~

32 6. A sale of property that is eligible for an exemption under subsection 2 of this section but
33 is purchased under a layaway sale shall only qualify for an exemption if:

34 (1) Final payment on a layaway order is made by, and the property is given to, the purchaser
35 during the exemption period; or

36 (2) The purchaser selects the property and the seller accepts the order for the property
37 during the exemption period, for immediate delivery upon full payment, even if delivery is made
38 after the exemption period.

39 7. The exemption of a bundled transaction shall be calculated as provided by law for all
40 other bundled transactions.

41 8. (1) For any discount offered by a seller that is a reduction of the sales price of the
42 product, the discounted sales price shall determine whether the sales price falls below the price
43 threshold provided in subsection 1 of this section. A coupon that reduces the sales price shall be
44 treated as a discount only if the seller is not reimbursed for the coupon amount by a third party.

45 (2) If a discount applies to the total amount paid by a purchaser rather than to the sales price
46 of a particular product and the purchaser has purchased both exempt property and taxable property,
47 the seller shall allocate the discount based on the total sales prices of the taxable property compared
48 to the total sales prices of all property sold in the same transaction.

49 9. Items that are normally sold as a single unit shall continue to be sold in that manner and

1 shall not be priced separately and sold as individual items.

2 10. Items that are purchased during an exemption period but that are not delivered to the
 3 purchaser until after the exemption period due to the item not being in stock shall qualify for an
 4 exemption. The provisions of this subsection shall not apply to an item that was delivered during an
 5 exemption period but was purchased prior to or after the exemption period.

6 11. (1) If a purchaser purchases an item of eligible property during an exemption period,
 7 but later exchanges the item for a similar eligible item after the exemption period, no additional tax
 8 shall be due on the new item.

9 (2) If a purchaser purchases an item of eligible property during an exemption period, but
 10 later returns the item after the exemption period and receives credit on the purchase of a different
 11 nonexempt item, the appropriate sales tax shall be due on the sale of the newly purchased item.

12 (3) If a purchaser purchases an item of eligible property before an exemption period, but
 13 during the exemption period returns the item and receives credit on the purchase of a different item
 14 of eligible property, no sales tax shall be due on the sale of the new item if the new item is
 15 purchased during the exemption period.

16 (4) For a sixty-day period immediately following the end of the exemption period, if a
 17 purchaser returns an exempt item, no credit for or refund of sales tax shall be given unless the
 18 purchaser provides a receipt or invoice that shows tax was paid, or the seller has sufficient
 19 documentation to show that tax was paid on the item being returned.

20 144.054. 1. As used in this section, the following terms mean:

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

24 (2) "Producing" includes, but is not limited to, the production of, including the production
 25 and transmission of, telecommunication services;

26 (3) "Product" includes, but is not limited to, telecommunications services;

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

30 2. In addition to all other exemptions granted under this chapter, there is hereby specifically
 31 exempted from the provisions of [~~sections 144.010 to 144.525 and 144.600 to 144.761, and from the~~
 32 ~~computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600~~
 33 ~~to 144.761]~~ this chapter and the local sales tax law as defined in section 32.085 and from the
 34 computation of the tax levied, assessed, or payable under this chapter and the local sales tax law as
 35 defined in section 32.085, electrical energy and gas, whether natural, artificial, or propane, water,
 36 coal, and energy sources, chemicals, machinery, equipment, and materials used or consumed in the
 37 manufacturing, processing, compounding, mining, or producing of any product, or used or
 38 consumed in the processing of recovered materials, or used in research and development related to
 39 manufacturing, processing, compounding, mining, or producing any product. [The exemptions
 40 granted in this subsection shall not apply to local sales taxes as defined in section 32.085 and the
 41 provisions of this subsection shall be in addition to any state and local sales tax exemption provided
 42 in section 144.030.] The construction and application of this subsection as expressed by the
 43 Missouri supreme court in DST Systems, Inc. v. Director of Revenue, 43 S.W.3d 799 (Mo. banc
 44 2001); Southwestern Bell Tel. Co. v. Director of Revenue, 78 S.W.3d 763 (Mo. banc 2002); and
 45 Southwestern Bell Tel. Co. v. Director of Revenue, 182 S.W.3d 226 (Mo. banc 2005), is hereby
 46 affirmed.

47 3. In addition to all other exemptions granted under this chapter, there is hereby specifically
 48 exempted from the provisions of [~~sections 144.010 to 144.525 and 144.600 to 144.761, and section~~
 49 ~~238.235,]~~ this chapter and the local sales tax law as defined in section 32.085, and from the

1 computation of the tax levied, assessed, or payable under [~~sections 144.010 to 144.525 and 144.600~~
 2 ~~to 144.761, and section 238.235,~~] this chapter and the local sales tax law as defined in section
 3 32.085, all utilities, machinery, and equipment used or consumed directly in television or radio
 4 broadcasting and all sales and purchases of tangible personal property, utilities, services, or any
 5 other transaction that would otherwise be subject to the state or local sales or use tax when such
 6 sales are made to or purchases are made by a contractor for use in fulfillment of any obligation
 7 under a defense contract with the United States government, and all sales and leases of tangible
 8 personal property by any county, city, incorporated town, or village, provided such sale or lease is
 9 authorized under chapter 100, and such transaction is certified for sales tax exemption by the
 10 department of economic development, and tangible personal property used for railroad
 11 infrastructure brought into this state for processing, fabrication, or other modification for use outside
 12 the state in the regular course of business.

13 4. In addition to all other exemptions granted under this chapter, there is hereby specifically
 14 exempted from the provisions of [~~sections 144.010 to 144.525 and 144.600 to 144.761, and section~~
 15 ~~238.235,~~] this chapter and the local sales tax law as defined in section 32.085, and from the
 16 computation of the tax levied, assessed, or payable under [~~sections 144.010 to 144.525 and 144.600~~
 17 ~~to 144.761, and section 238.235,~~] this chapter and the local sales tax law as defined in section
 18 32.085, all sales and purchases of tangible personal property, utilities, services, or any other
 19 transaction that would otherwise be subject to the state or local sales or use tax when such sales are
 20 made to or purchases are made by a private partner for use in completing a project under sections
 21 227.600 to 227.669.

22 5. In addition to all other exemptions granted under this chapter, there is hereby specifically
 23 exempted from the provisions of [~~sections 144.010 to 144.525 and 144.600 to 144.761, and section~~
 24 ~~238.235,~~] this chapter and the local sales tax law as defined in section 32.085, and from the
 25 computation of the tax levied, assessed, or payable under [~~sections 144.010 to 144.525 and 144.600~~
 26 ~~to 144.761, and section 238.235,~~] this chapter and the local sales tax law as defined in section
 27 32.085, all materials, manufactured goods, machinery and parts, electrical energy and gas, whether
 28 natural, artificial or propane, water, coal and other energy sources, chemicals, soaps, detergents,
 29 cleaning and sanitizing agents, and other ingredients and materials inserted by commercial or
 30 industrial laundries to treat, clean, and sanitize textiles in facilities which process at least five
 31 hundred pounds of textiles per hour and at least sixty thousand pounds per week.

32 144.060. 1. It shall be the duty of every person making any purchase or receiving any
 33 service upon which a tax is imposed by sections 144.010 to 144.510 to pay, to the extent possible
 34 under the provisions of section 144.285, the amount of such tax to the person making such sale or
 35 rendering such service. Any person who shall willfully and intentionally refuse to pay such tax shall
 36 be guilty of a misdemeanor. The provisions of this section shall not apply to any person making any
 37 purchase or sale of a motor vehicle subject to sales tax as provided by the Missouri sales tax law,
 38 unless such person making the sale is a motor vehicle dealer authorized to collect and remit sales tax
 39 pursuant to subsection 10 of section 144.070.

40 2. A purchaser shall be relieved from any additional tax, interest, additions, or penalties for
 41 failure to collect and remit the proper amount of tax owed on a purchase subject to tax under this
 42 chapter if:

43 (1) A purchaser's seller or a certified service provider relied on erroneous data provided by
 44 the director on tax rates, boundaries, taxing jurisdiction assignments, or in the taxability matrix
 45 created under section 144.638;

46 (2) A purchaser using a database created under section 144.637 received erroneous data
 47 provided by the director on tax rates, boundaries, or taxing jurisdiction assignments; or

48 (3) A purchaser relied on erroneous data provided by the director in the taxability matrix
 49 created under section 144.638.

1 144.079. 1. The provisions of section 144.080 notwithstanding, the director shall
 2 promulgate rules to allow for the issuance of direct-pay permits to purchasers. Purchasers holding
 3 such a permit shall be permitted to purchase goods and services that are subject to sales tax under
 4 this chapter without remitting payment of the tax to the seller at the time of purchase. Such
 5 purchaser shall make a determination of the amount of tax owed and shall report and remit such
 6 amount directly to the taxing jurisdiction.

7 2. The director shall promulgate rules to implement the provisions of this section. Such
 8 rules shall include an application process for the issuance of a permit created under this section.
 9 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
 10 authority delegated in this section shall become effective only if it complies with and is subject to all
 11 of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536
 12 are nonseverable, and if any of the powers vested with the general assembly pursuant to chapter 536
 13 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held
 14 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after the
 15 effective date of this act shall be invalid and void.

16 144.080. 1. Every person receiving any payment or consideration upon the sale of property
 17 or rendering of service, subject to the tax imposed [by the provisions of sections 144.010 to
 18 144.525] under this chapter, is exercising the taxable privilege of selling the property or rendering
 19 the service at retail and is subject to the tax levied in section 144.020. The person shall be
 20 responsible not only for the collection of the amount of the tax imposed on the sale or service to the
 21 extent possible under the provisions of section 144.285, but shall, on or before the last day of the
 22 month following each calendar quarterly period of three months, file a return with the director of
 23 revenue showing the person's gross receipts and the amount of tax levied in section 144.020 for the
 24 preceding quarter, and shall remit to the director of revenue, with the return, the taxes levied in
 25 section 144.020, except as provided in [subsections] subsection 2 [and 3] of this section. The
 26 director of revenue may promulgate rules or regulations changing the filing and payment
 27 requirements of sellers, but shall not require any seller to file and pay more frequently than required
 28 in this section.

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

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

37 [4.] 3. The seller of any property or the person rendering any service, subject to the tax
 38 imposed [by sections 144.010 to 144.525] under this chapter, shall collect the tax from the purchaser
 39 of such property or the recipient of the service to the extent possible under the provisions of section
 40 144.285, but the seller's inability to collect any part or all of the tax does not relieve the seller of the
 41 obligation to pay to the state the tax imposed by section 144.020; except that the collection of the
 42 tax imposed [by sections 144.010 to 144.525] under this chapter on motor vehicles and trailers shall
 43 be made as provided in sections 144.070 and 144.440.

44 [5.] 4. Any person may advertise or hold out or state to the public or to any customer
 45 directly that the tax or any part thereof imposed [by sections 144.010 to 144.525] under this chapter,
 46 and required to be collected by the person, will be assumed or absorbed by the person, provided that
 47 the amount of tax assumed or absorbed shall be stated on any invoice or receipt for the property sold
 48 or service rendered. Any person violating any of the provisions of this section shall be guilty of a
 49 misdemeanor. This subsection shall not apply to any retailer prohibited from collecting and

1 remitting sales tax under section 66.630.

2 144.082. 1. The director of revenue shall participate in the central registration system
3 described under section 32.070 and shall allow sellers in this state to register with such system at no
4 cost to such sellers.

5 2. By registering, the seller agrees to collect and remit sales and use taxes for all taxable
6 sales in this state. Withdrawal or revocation of this state from the agreement shall not relieve a
7 seller of its responsibility to remit taxes previously or subsequently collected on behalf of this state.

8 3. If the seller has a requirement to register prior to registering under the agreement, such
9 seller shall obtain a retail sales license under section 144.083 and register under section 144.650.

10 4. Registration with the central registration system and the collection of sales and use taxes
11 in this state shall not be used as the sole factor in determining whether the seller has nexus with this
12 state for any tax at any time.

13 144.111. 1. (1) All retail sales in this state, excluding leases and rentals, of tangible
14 personal property or digital goods shall be sourced to the location where the order is received by the
15 seller.

16 (2) This subsection shall apply only if:

17 (a) The location where the order is received by the seller and the location where the
18 purchaser receives the product are both in this state;

19 (b) The location where receipt of the product occurs is determined in accordance with
20 subsection 2 of this section; and

21 (c) At the time the order is received, the record-keeping system of the seller used to
22 calculate the proper amount of sales or use tax to be imposed captures the location where the order
23 is received.

24 (3) If the sale is sourced under this section to the location where the order is received by the
25 seller, only the sales or use tax for the location where the order is received by the seller may be
26 levied. No additional sales or use tax based on the location where the product is delivered to the
27 purchaser shall be levied on that sale. The purchaser shall not be entitled to any refund if the
28 combined state and local rate or rates at the location where the product is received by the purchaser
29 is lower than the rate where the order is received by the seller.

30 (4) A purchaser shall have no additional liability to the state for tax, penalty, or interest on a
31 sale for which the purchaser remits tax to the seller in the amount invoiced by the seller if such
32 invoice amount is calculated at either the rate applicable to the location where receipt by the
33 purchaser occurs or at the rate applicable to the location where the order is received by the seller. A
34 purchaser may rely on a written representation by the seller as to the location where the order for
35 such sale was received by the seller. If the purchaser does not have a written representation by the
36 seller as to the location where the order for such sale was received by the seller, the purchaser may
37 use a location indicated by a business address for the seller that is available from the business
38 records of the purchaser that are maintained in the ordinary course of the purchaser's business to
39 determine the rate applicable to the location where the order was received.

40 (5) "The location where the order is received by or on behalf of the seller" means the
41 physical location of a seller or third party such as an established outlet, office location, or automated
42 order receipt system operated by or on behalf of the seller where an order is initially received by or
43 on behalf of the seller and not where the order may be subsequently accepted, completed, or
44 fulfilled. An order is "received" when all of the information from the purchaser necessary to
45 determine whether the order can be accepted has been received by or on behalf of the seller. The
46 location from which a product is shipped shall not be used in determining the location where the
47 order is received by the seller.

48 (6) If taxable services are sold with tangible personal property or digital products under a
49 single contract or in the same transaction, are billed on the same billing statement or statements,

1 and, because of the application of this section, would be sourced to different jurisdictions, this
2 subsection shall apply to determine the source for tax.

3 2. Except as provided under section 144.112, if the location where the order is received by
4 the seller and the location where the product is received by the purchaser or the purchaser's donee,
5 as designated by the purchaser, are in different states, the retail sale, excluding any lease or rental, of
6 a product shall be sourced as follows:

7 (1) If the product is received by the purchaser at a business location of the seller, the sale
8 shall be sourced to such business location;

9 (2) If the product is not received by the purchaser at a business location of the seller, the sale
10 shall be sourced to the location where the purchaser or the purchaser's donee, as designated by the
11 purchaser, receives the product, including the location indicated by instructions for delivery to the
12 purchaser or donee, as known to the seller;

13 (3) If subdivisions (1) and (2) of this subsection do not apply, the sale shall be sourced to the
14 location indicated by an address for the purchaser that is available from the business records of the
15 seller that are maintained in the ordinary course of the seller's business if use of this address shall
16 not constitute bad faith;

17 (4) If subdivisions (1) to (3) of this subsection do not apply, the sale shall be sourced to the
18 location indicated by an address for the purchaser obtained during the consummation of the sale,
19 including the address of a purchaser's payment instrument, if no other address is available and if use
20 of this address shall not constitute bad faith; and

21 (5) If subdivisions (1) to (4) of this subsection do not apply, including the circumstances in
22 which the seller is without sufficient information to apply the previous rules, the location shall be
23 determined by the address from which tangible personal property was shipped, from which the
24 digital good or computer software delivered electronically was first available for transmission from
25 the seller, or from which the service was provided, disregarding for these purposes any location that
26 merely provided for the digital transfer of the product sold.

27 3. Notwithstanding subsections 1 and 2 of this section, all sales of motor vehicles, trailers,
28 semitrailers, watercraft, outboard motors, and aircraft that do not qualify as transportation
29 equipment shall be sourced to the address of the owner thereof.

30 4. The lease or rental of tangible personal property, other than property identified in
31 subsection 2 or 3 of this section, shall be sourced as follows:

32 (1) For a lease or rental that requires recurring periodic payments, the first periodic payment
33 is sourced the same as a retail sale in accordance with the provisions of subsection 1 of this section.
34 Periodic payments made subsequent to the first payment are sourced to the primary property
35 location for each period covered by the payment. The primary property location shall be as
36 indicated by an address for the property provided by the lessee that is available to the lessor from its
37 records maintained in the ordinary course of business if use of this address shall not constitute bad
38 faith. The property location shall not be altered by intermittent use at different locations, such as
39 use of business property that accompanies employees on business trips and service calls;

40 (2) For a lease or rental that does not require recurring periodic payments, the payment is
41 sourced the same as a retail sale in accordance with the provisions of subsection 2 of this section;
42 and

43 (3) This subsection shall not affect the imposition or computation of sales or use tax on
44 leases or rentals based on a lump sum or accelerated basis or on the acquisition of property for lease.

45 5. The lease or rental of motor vehicles, trailers, semitrailers, or aircraft that do not qualify
46 as transportation equipment shall be sourced as follows:

47 (1) For a lease or rental that requires recurring periodic payments, each periodic payment is
48 sourced to the primary property location. The primary property location shall be as indicated by an
49 address for the property provided by the lessee that is available to the lessor from its records

1 maintained in the ordinary course of business if use of such address does not constitute bad faith.
2 Such location shall not be altered by intermittent use at different locations;

3 (2) For a lease or rental that does not require recurring periodic payments, the payment is
4 sourced the same as a retail sale in accordance with the provisions of subsection 1 of this section;
5 and

6 (3) This subsection shall not affect the imposition or computation of sales or use tax on
7 leases or rentals based on a lump sum or accelerated basis or on the acquisition of property for lease.

8 6. The retail sale, including lease or rental, of transportation equipment shall be sourced the
9 same as a retail sale in accordance with the provisions of subsection 1 of this section,
10 notwithstanding the exclusion of lease or rental in subsection 2 of this section.

11 144.112. 1. The retail sale of a product shall be sourced in accordance with section 144.111.
12 The provisions of section 144.111 shall apply regardless of the characterization of a product as
13 tangible personal property, a digital good, or a service. The provisions of section 144.111 shall
14 apply only to determine a seller's obligation to pay or collect and remit sales or use tax with respect
15 to the seller's retail sale of a product. The provisions of this subsection shall not affect the
16 obligation of a purchaser or lessee to remit tax on the use of the product to the taxing jurisdictions of
17 that use.

18 2. Section 144.111 shall not apply to sales or use taxes levied on the following:

19 (1) Retail sales or transfers of watercraft, modular homes, manufactured homes, or mobile
20 homes; and

21 (2) Telecommunications services and ancillary services.

22 144.113. 1. (1) A purchaser of advertising and promotional direct mail may provide the
23 seller with:

24 (a) A direct-pay permit;

25 (b) An agreement certificate of exemption claiming direct mail or other written statement
26 approved, authorized, or accepted by the state; or

27 (c) Information showing the jurisdictions to which the advertising and promotional direct
28 mail is to be delivered to recipients.

29 (2) If the purchaser provides the permit, certificate, or statement referred to in paragraph (a)
30 or (b) of subdivision (1) of subsection 1 of this section, the seller, in the absence of bad faith, is
31 relieved of all obligations to collect, pay, or remit any tax on any transaction involving advertising
32 and promotional direct mail to which the permit, certificate, or statement applies. The purchaser
33 shall source the sale to the jurisdictions to which the advertising and promotional direct mail is to be
34 delivered to the recipients and shall report and pay any applicable tax due.

35 (3) If the purchaser provides the seller information showing the jurisdictions to which the
36 advertising and promotional direct mail is to be delivered to recipients, the seller shall source the
37 sale to the jurisdictions to which the advertising and promotional direct mail is to be delivered and
38 shall collect and remit the applicable tax. In the absence of bad faith, the seller is relieved of any
39 further obligation to collect any additional tax on the sale of advertising and promotional direct mail
40 if the seller has sourced the sale according to the delivery information provided by the purchaser.

41 (4) If the purchaser does not provide the seller with any of the items listed in paragraph (a),
42 (b), or (c) of subdivision (1) of subsection 1 of this section, the sale shall be sourced according to
43 subdivision (5) of subsection 2 of section 144.111. The state to which the advertising and
44 promotional direct mail is delivered may disallow credit for tax paid on sales sourced under this
45 subdivision.

46 (5) Notwithstanding the provisions of section 144.111, this subsection shall apply to sales of
47 advertising and promotional direct mail.

48 2. (1) Except as otherwise provided in this subsection, sales of other direct mail shall be
49 sourced in accordance with subdivision (3) of subsection 2 of section 144.111.

1 (2) A purchaser of other direct mail may provide the seller with either:

2 (a) A direct-pay permit; or

3 (b) An agreement certificate of exemption claiming direct mail or other written statement
4 approved, authorized, or accepted by the state.

5 (3) If the purchaser provides the permit, certificate, or statement referred to in paragraph (a)
6 or (b) of subdivision (2) of this subsection, the seller, in the absence of bad faith, is relieved of all
7 obligations to collect, pay, or remit any tax on any transaction involving other direct mail to which
8 the permit, certificate, or statement applies. Notwithstanding subdivision (1) of this subsection, the
9 sale shall be sourced to the jurisdictions to which the other direct mail is to be delivered to the
10 recipients, and the purchaser shall report and pay applicable tax due.

11 (4) Notwithstanding section 144.111, this subsection shall apply to sales of other direct mail.

12 3. (1) (a) This section shall apply to a transaction characterized under state law as the sale
13 of services only if the service is an integral part of the production and distribution of printed
14 material that meets the definition of direct mail.

15 (b) This section shall not apply to any transaction that includes the development of billing
16 information or the provision of any data processing service that is more than incidental, regardless
17 of whether advertising and promotional direct mail is included in the same mailing.

18 (2) If a transaction is a bundled transaction that includes advertising and promotional direct
19 mail, this section shall apply only if the primary purpose of the transaction is the sale of products or
20 services that meet the definition of advertising and promotional direct mail.

21 (3) Nothing in this section shall limit any purchaser's:

22 (a) Obligation for sales or use tax to any state to which the direct mail is delivered;

23 (b) Right under local, state, federal, or constitutional law to a credit for sales or use taxes
24 legally due and paid to other jurisdictions; or

25 (c) Right to a refund of sales or use taxes overpaid to any jurisdiction.

26 (4) This section shall apply for purposes of uniformly sourcing direct mail transactions and
27 shall not impose requirements on states regarding the taxation of products that meet the definition of
28 direct mail or to the application of sales for resale or other exemptions.

29 144.114. 1. Except for the defined telecommunications services under subsection 3 of this
30 section, the sale of telecommunications service sold on a call-by-call basis shall be sourced to:

31 (1) Each level of taxing jurisdiction where the call originates and terminates in that
32 jurisdiction; or

33 (2) Each level of taxing jurisdiction where the call either originates or terminates and where
34 the service address is also located.

35 2. Except for the defined telecommunications services under subsection 3 of this section, a
36 sale of telecommunications services sold on a basis other than a call-by-call basis is sourced to the
37 customer's place of primary use.

38 3. The sale of the following telecommunications services shall be sourced to each level of
39 taxing jurisdiction as follows:

40 (1) A sale of mobile telecommunications services other than air-to-ground radiotelephone
41 service and prepaid calling service is sourced to the customer's place of primary use, as required
42 under the Mobile Telecommunications Sourcing Act;

43 (2) A sale of post-paid calling service is sourced to the origination point of the
44 telecommunications signal as first identified by either:

45 (a) The seller's telecommunications system; or

46 (b) Information received by the seller from its service provider, where the system used to
47 transport such signals is not that of the seller;

48 (3) A sale of prepaid calling service or a sale of a prepaid wireless calling service is sourced
49 in accordance with section 144.111; provided, however, in the case of a sale of prepaid wireless

1 calling service, the rule provided in subdivision (5) of subsection 2 of section 144.111 shall include
 2 as an option the location associated with the mobile telephone number; and

3 (4) A sale of a private communication service is sourced as follows:

4 (a) Service for a separate charge related to a customer channel termination point is sourced
 5 to each level of jurisdiction where such customer channel termination point is located;

6 (b) Service where all customer termination points are located entirely within one jurisdiction
 7 or level of jurisdiction is sourced to such jurisdiction where the customer channel termination points
 8 are located;

9 (c) Service for segments of a channel between two customer channel termination points
 10 located in different jurisdictions and for which segments of a channel are separately charged is
 11 sourced fifty percent to each level of jurisdiction where the customer channel termination points are
 12 located; and

13 (d) Service for segments of a channel located in more than one jurisdiction or level of
 14 jurisdiction and for which segments are not separately billed is sourced to each jurisdiction based on
 15 the percentage determined by dividing the number of customer channel termination points in such
 16 jurisdiction by the total number of customer channel termination points.

17 4. The sale of internet access service is sourced to the customer's place of primary use.

18 5. The sale of ancillary service is sourced to the customer's place of primary use.

19 144.140. 1. From every remittance to the director of revenue made on or before the date
 20 when the same becomes due, the person required to remit the same shall be entitled to deduct and
 21 retain an amount equal to two percent thereof.

22 2. If the department of revenue registers this state under section 32.070 to participate in the
 23 streamlined sales and use tax agreement as a nonmember state, the director shall provide a monetary
 24 allowance from the taxes collected to each of the following:

25 (1) A certified service provider, in accordance with the agreement and under the terms of the
 26 contract signed with the provider;

27 (2) Any vendor registered under the agreement that selects a certified automated system to
 28 perform part of its sales or use tax functions; and

29 (3) Any vendor registered under the agreement that uses a proprietary system to calculate
 30 taxes due and has entered into a performance agreement with states that are members of the
 31 streamlined sales and use tax agreement.

32 3. Any vendor receiving an allowance under subsection 2 of this section shall not be entitled
 33 simultaneously to deduct the allowance provided for in subsection 1 of this section.

34 144.190. 1. If a tax has been incorrectly computed by reason of a clerical error or mistake
 35 on the part of the director of revenue, such fact shall be set forth in the records of the director of
 36 revenue, and the amount of the overpayment shall be credited on any taxes then due from the person
 37 legally obligated to remit the tax under chapter 144, and the balance shall be refunded to the person
 38 legally obligated to remit the tax, such person's administrators or executors, as provided for in
 39 section 144.200.

40 2. If any tax, penalty or interest has been paid more than once, or has been erroneously or
 41 illegally collected, or has been erroneously or illegally computed, such sum shall be credited on any
 42 taxes then due from the person legally obligated to remit the tax under chapter 144, and the balance,
 43 with interest as determined by section 32.065, shall be refunded to the person legally obligated to
 44 remit the tax, but no such credit or refund shall be allowed unless duplicate copies of a claim for
 45 refund are filed within ten years from date of overpayment.

46 3. Every claim for refund must be in writing and signed by the applicant, and must state the
 47 specific grounds upon which the claim is founded. Any refund or any portion thereof which is
 48 erroneously made, and any credit or any portion thereof which is erroneously allowed, may be
 49 recovered in any action brought by the director of revenue against the person legally obligated to

1 remit the tax. In the event that a tax has been illegally imposed against a person legally obligated to
2 remit the tax, the director of revenue shall authorize the cancellation of the tax upon the director's
3 record.

4 4. Notwithstanding the provisions of section 32.057, a purchaser that originally paid sales or
5 use tax to a vendor or seller may submit a refund claim directly to the director of revenue for such
6 sales or use taxes paid to such vendor or seller and remitted to the director, provided no sum shall be
7 refunded more than once, any such claim shall be subject to any offset, defense, or other claim the
8 director otherwise would have against either the purchaser or vendor or seller, and such claim for
9 refund is accompanied by either:

10 (1) A notarized assignment of rights statement by the vendor or seller to the purchaser
11 allowing the purchaser to seek the refund on behalf of the vendor or seller. An assignment of rights
12 statement shall contain the Missouri sales or use tax registration number of the vendor or seller, a
13 list of the transactions covered by the assignment, the tax periods and location for which the original
14 sale was reported to the director of revenue by the vendor or seller, and a notarized statement signed
15 by the vendor or seller affirming that the vendor or seller has not received a refund or credit, will not
16 apply for a refund or credit of the tax collected on any transactions covered by the assignment, and
17 authorizes the director to amend the seller's return to reflect the refund; or

18 (2) In the event the vendor or seller fails or refuses to provide an assignment of rights
19 statement within sixty days from the date of such purchaser's written request to the vendor or seller,
20 or the purchaser is not able to locate the vendor or seller or the vendor or seller is no longer in
21 business, the purchaser may provide the director a notarized statement confirming the efforts that
22 have been made to obtain an assignment of rights from the vendor or seller. Such statement shall
23 contain a list of the transactions covered by the assignment, the tax periods and location for which
24 the original sale was reported to the director of revenue by the vendor or seller.

25
26 The director shall not require such vendor, seller, or purchaser to submit amended returns for refund
27 claims submitted under the provisions of this subsection. Notwithstanding the provisions of section
28 32.057, if the seller is registered with the director for collection and remittance of sales tax, the
29 director shall notify the seller at the seller's last known address of the claim for refund. If the seller
30 objects to the refund within thirty days of the date of the notice, the director shall not pay the refund.
31 If the seller agrees that the refund is warranted or fails to respond within thirty days, the director
32 may issue the refund and amend the seller's return to reflect the refund. For purposes of section
33 32.069, the refund claim shall not be considered to have been filed until the seller agrees that the
34 refund is warranted or thirty days after the date the director notified the seller and the seller failed to
35 respond.

36 5. Notwithstanding the provisions of section 32.057, when a vendor files a refund claim on
37 behalf of a purchaser and such refund claim is denied by the director, notice of such denial and the
38 reason for the denial shall be sent by the director to the vendor and each purchaser whose name and
39 address is submitted with the refund claim form filed by the vendor. A purchaser shall be entitled to
40 appeal the denial of the refund claim within sixty days of the date such notice of denial is mailed by
41 the director as provided in section 144.261. The provisions of this subsection shall apply to all
42 refund claims filed after August 28, 2012. The provisions of this subsection allowing a purchaser to
43 appeal the director's decision to deny a refund claim shall also apply to any refund claim denied by
44 the director on or after January 1, 2007, if an appeal of the denial of the refund claim is filed by the
45 purchaser no later than September 28, 2012, and if such claim is based solely on the issue of the
46 exemption of the electronic transmission or delivery of computer software.

47 6. Notwithstanding the provisions of this section, the director of revenue shall authorize
48 direct-pay agreements to purchasers which have annual purchases in excess of seven hundred fifty
49 thousand dollars pursuant to rules and regulations adopted by the director of revenue. For the

1 purposes of such direct-pay agreements, the taxes authorized under chapters 66, 67, 70, 92, 94, 162,
2 190, 238, 321, and 644 shall be remitted based upon the location of the place of business of the
3 purchaser.

4 7. Special rules applicable to error corrections requested by customers of mobile
5 telecommunications service are as follows:

6 (1) For purposes of this subsection, the terms "customer", "home service provider", "place
7 of primary use", "electronic database", and "enhanced zip code" shall have the same meanings as
8 defined in the Mobile Telecommunications Sourcing Act incorporated by reference in section
9 144.013;

10 (2) Notwithstanding the provisions of this section, if a customer of mobile
11 telecommunications services believes that the amount of tax, the assignment of place of primary use
12 or the taxing jurisdiction included on a billing is erroneous, the customer shall notify the home
13 service provider, in writing, within three years from the date of the billing statement. The customer
14 shall include in such written notification the street address for the customer's place of primary use,
15 the account name and number for which the customer seeks a correction of the tax assignment, a
16 description of the error asserted by the customer and any other information the home service
17 provider reasonably requires to process the request;

18 (3) Within sixty days of receiving the customer's notice, the home service provider shall
19 review its records and the electronic database or enhanced zip code to determine the customer's
20 correct taxing jurisdiction. If the home service provider determines that the review shows that the
21 amount of tax, assignment of place of primary use or taxing jurisdiction is in error, the home service
22 provider shall correct the error and, at its election, either refund or credit the amount of tax
23 erroneously collected to the customer for a period of up to three years from the last day of the home
24 service provider's sixty-day review period. If the home service provider determines that the review
25 shows that the amount of tax, the assignment of place of primary use or the taxing jurisdiction is
26 correct, the home service provider shall provide a written explanation of its determination to the
27 customer.

28 8. For all refund claims submitted to the department of revenue on or after September 1,
29 2003, notwithstanding any provision of this section to the contrary, if a person legally obligated to
30 remit the tax levied under chapter 144 has received a refund of such taxes for a specific issue and
31 submits a subsequent claim for refund of such taxes on the same issue for a tax period beginning on
32 or after the date the original refund check issued to such person, no refund shall be allowed. This
33 subsection shall not apply and a refund shall be allowed if the refund claim is filed by a purchaser
34 under the provisions of subsection 4 of this section, the refund claim is for use tax remitted by the
35 purchaser, or an additional refund claim is filed by a person legally obligated to remit the tax due to
36 any of the following:

37 (1) Receipt of additional information or an exemption certificate from the purchaser of the
38 item at issue;

39 (2) A decision of a court of competent jurisdiction or the administrative hearing
40 commission; or

41 (3) Changes in regulations or policy by the department of revenue.

42 9. Notwithstanding any provision of law to the contrary, the director of revenue shall
43 respond to a request for a binding letter ruling filed in accordance with section 536.021 within sixty
44 days of receipt of such request. If the director of revenue fails to respond to such letter ruling
45 request within sixty days of receipt by the director, the director of revenue shall be barred from
46 pursuing collection of any assessment of sales or use tax with respect to the issue which is the
47 subject of the letter ruling request. For purposes of this subsection, the term "letter ruling" means a
48 written interpretation of law by the director to a specific set of facts provided by a specific taxpayer
49 or his or her agent.

1 10. If any tax was paid more than once, was incorrectly collected, or was incorrectly
2 computed, such sum shall be credited on any taxes then due from the person legally obligated to
3 remit the tax under chapter 144 against any deficiency or tax due discovered through an audit of the
4 person by the department of revenue through adjustment during the same tax filing period for which
5 the audit applied.

6 11. A cause of action against the seller by a purchaser for a tax erroneously or illegally
7 collected under this chapter shall not accrue until a purchaser has provided written notice to the
8 seller and the seller has had sixty days to respond. Such notice to the seller shall contain the
9 information necessary to determine the validity of the request. A seller shall be presumed to have a
10 reasonable business practice if, in the collection of such tax, the seller uses a provider or a system
11 certified by the director and has remitted to the state all tax collected less any deductions, credits, or
12 allowances.

13 144.212. 1. In addition to all other provisions of law provided for exemptions, if an
14 exemption is claimed by a purchaser:

15 (1) The seller shall obtain identifying information of the purchaser and the reason for
16 claiming a tax exemption at the time of the purchase;

17 (2) A purchaser shall not be required to provide a signature to claim an exemption from tax
18 unless a paper exemption certificate is used;

19 (3) The seller shall use the standard form for claiming an exemption electronically
20 prescribed by the director of revenue and acceptable to the streamlined sales and use tax governing
21 board;

22 (4) The seller shall obtain the same information for proof of a claimed exemption regardless
23 of the medium in which the transaction occurred;

24 (5) The seller shall maintain proper records of exempt transactions and provide such records
25 to the director of revenue or the director's designee upon request; and

26 (6) In the case of drop shipment sales, a third-party vendor such as a drop shipper may claim
27 a resale exemption based on an exemption certificate provided by its customer or any other
28 acceptable information available to the third-party vendor evidencing qualification for a resale
29 exemption, regardless of whether the customer is registered to collect and remit sales and use tax in
30 the state where the sale is sourced.

31 2. (1) Sellers that comply with the requirements of this section shall be relieved from
32 collecting and remitting tax otherwise applicable if it is determined that the purchaser improperly
33 claimed an exemption, and such purchaser shall be liable for the nonpayment of tax. Relief from
34 liability provided under this section shall not apply to a seller who fraudulently fails to collect tax; to
35 a seller who solicits purchasers to participate in the unlawful claim of an exemption; to a seller who
36 accepts an exemption certificate, if the purchaser claims an entity-based exemption if the subject of
37 the transaction sought to be covered by the exemption certificate is actually received by the
38 purchaser at a location operated by the seller and the state in which that location resides provides an
39 exemption certificate that clearly and affirmatively indicates that the claimed exemption is not
40 available in such state; or to a seller who accepts an exemption certificate claiming multiple points
41 of use for tangible personal property other than computer software for which an exemption claiming
42 multiple points of use is not permitted.

43 (2) A seller shall be relieved from collecting and remitting tax otherwise applicable if the
44 seller obtains a fully completed exemption certificate or captures the relevant data elements required
45 under the agreement within ninety days after the date of sale.

46 (3) If a seller fails to obtain an exemption certificate or all relevant data elements as
47 provided in this subsection, the seller may, within one hundred twenty days after a request for
48 substantiation by the director of revenue or the director's designee, either prove that the transaction
49 was not subject to tax by other means or obtain a fully completed exemption certificate from the

1 purchaser, taken in good faith.

2 3. Nothing in this section shall affect the ability of the director of revenue or the director's
 3 designee to require purchasers to update exemption certificate information or to reapply with the
 4 state to claim certain exemptions.

5 4. Notwithstanding the provisions of subsection 2 of this section to the contrary, the director
 6 shall relieve a seller of the tax otherwise applicable if the seller obtains a blanket exemption
 7 certificate for a purchaser with which the seller has a recurring business relationship. The director
 8 shall not request from the seller renewal of blanket certificates or updates of exemption certificate
 9 information or data elements if there is a recurring business relationship between the purchaser and
 10 seller. For purposes of this section, a recurring business relationship exists if a period of no more
 11 than twelve months elapses between sales transactions.

12 144.600. 1. This law may be cited as the "Compensating Use Tax Law".

13 2. All provisions in sections 144.010 to 144.527 with respect to sales into this state by out-
 14 of-state sellers shall apply to the compensating use tax law.

15 144.605. The following words and phrases as used in sections 144.600 to 144.745 mean and
 16 include:

17 (1) "Calendar quarter", the period of three consecutive calendar months ending on March
 18 thirty-first, June thirtieth, September thirtieth or December thirty-first;

19 (2) "Certified service provider" or "CSP", an agent certified by the department of revenue to
 20 perform all the seller's sales and use tax functions, other than the seller's obligation to remit tax on
 21 its own purchases;

22 (3) "Engages in business activities within this state" includes:

23 (a) Maintaining or having a franchisee or licensee operating under the seller's trade name in
 24 this state if the franchisee or licensee is required to collect sales tax pursuant to sections 144.010 to
 25 144.525;

26 (b) Soliciting sales or taking orders by sales agents or traveling representatives;

27 (c) A vendor is presumed to engage in business activities within this state if any person,
 28 other than a common carrier acting in its capacity as such, that has substantial nexus with this state:

29 a. Sells a similar line of products as the vendor and does so under the same or a similar
 30 business name;

31 b. Maintains an office, distribution facility, warehouse, or storage place, or similar place of
 32 business in the state to facilitate the delivery of property or services sold by the vendor to the
 33 vendor's customers;

34 c. Delivers, installs, assembles, or performs maintenance services for the vendor's customers
 35 within the state;

36 d. Facilitates the vendor's delivery of property to customers in the state by allowing the
 37 vendor's customers to pick up property sold by the vendor at an office, distribution facility,
 38 warehouse, storage place, or similar place of business maintained by the person in the state; or

39 e. Conducts any other activities in the state that are significantly associated with the
 40 vendor's ability to establish and maintain a market in the state for the sales;

41 (d) The presumption in paragraph (c) of this subdivision may be rebutted by demonstrating
 42 that the person's activities in the state are not significantly associated with the vendor's ability to
 43 establish or maintain a market in this state for the vendor's sales;

44 (e) Notwithstanding paragraph (c) of this subdivision, a vendor shall be presumed to engage
 45 in business activities within this state if the vendor enters into an agreement with one or more
 46 residents of this state under which the resident, for a commission or other consideration, directly or
 47 indirectly refers potential customers, whether by a link on an internet website, an in-person oral
 48 presentation, telemarketing, or otherwise, to the vendor, if the cumulative gross receipts from sales
 49 by the vendor to customers in the state who are referred to the vendor by all residents with this type

1 of an agreement with the vendor is in excess of ten thousand dollars during the preceding twelve
2 months;

3 (f) The presumption in paragraph (e) of this subdivision may be rebutted by submitting
4 proof that the residents with whom the vendor has an agreement did not engage in any activity
5 within the state that was significantly associated with the vendor's ability to establish or maintain the
6 vendor's market in the state during the preceding twelve months. Such proof may consist of sworn
7 written statements from all of the residents with whom the vendor has an agreement stating that they
8 did not engage in any solicitation in the state on behalf of the vendor during the preceding year
9 provided that such statements were provided and obtained in good faith; and

10 (g) a. Beginning January 1, 2021, a vendor also engages in business activities within this
11 state if the cumulative gross receipts from the vendor's sales of tangible personal property and
12 digital goods and services to purchasers for the purpose of storage, use, or consumption in this state
13 equal one hundred thousand dollars in either the current or previous calendar year, as described
14 under subparagraphs b. and c. of this paragraph;

15 b. If the cumulative gross receipts from a vendor's sales of tangible personal property and
16 digital goods and services met the requirements under subparagraph a. of this paragraph for the
17 previous calendar year, such vendor shall collect and remit applicable use tax throughout the current
18 calendar year and for as long thereafter as the vendor is engaged in business activities in this state,
19 as provided under this paragraph, or otherwise maintains a substantial nexus with this state; and

20 c. If the cumulative gross receipts from the vendor's sales of tangible personal property and
21 digital goods and services did not meet the requirements under subparagraph a. of this paragraph for
22 the previous calendar year, such vendor shall collect and remit applicable use tax beginning on the
23 first day of the first month that is at least thirty days after the specific date during the current
24 calendar year on which such vendor first met the requirements under subparagraph a. of this
25 paragraph for the current calendar year, and such vendor shall continue to collect and remit such
26 applicable use tax for as long thereafter as the vendor is engaged in business activities in this state,
27 as provided under this paragraph, or otherwise maintains a substantial nexus with this state;

28 ~~[(3)]~~ (4) "Maintains a place of business in this state" includes maintaining, occupying, or
29 using, permanently or temporarily, directly or indirectly, by whatever name called, an office, place
30 of distribution, sales or sample room or place, warehouse or storage place, or other place of business
31 in this state, whether owned or operated by the vendor or by any other person other than a common
32 carrier acting in its capacity as such;

33 ~~[(4)]~~ (5) "Person", any individual, firm, copartnership, joint venture, association,
34 corporation, municipal or private, and whether organized for profit or not, state, county, political
35 subdivision, state department, commission, board, bureau or agency, except the state transportation
36 department, estate, trust, business trust, receiver or trustee appointed by the state or federal court,
37 syndicate, or any other group or combination acting as a unit, and the plural as well as the singular
38 number;

39 ~~[(5)]~~ (6) "Purchase", the acquisition of the ownership of, or title to, tangible personal
40 property, through a sale, as defined herein, for the purpose of storage, use or consumption in this
41 state;

42 ~~[(6)]~~ (7) "Purchaser", any person who is the recipient for a valuable consideration of any
43 sale of tangible personal property acquired for use, storage or consumption in this state;

44 ~~[(7)]~~ (8) "Sale", any transfer, barter or exchange of the title or ownership of tangible
45 personal property, or the right to use, store or consume the same, for a consideration paid or to be
46 paid, and any transaction whether called leases, rentals, bailments, loans, conditional sales or
47 otherwise, and notwithstanding that the title or possession of the property or both is retained for
48 security. For the purpose of this law the place of delivery of the property to the purchaser, user,
49 storer or consumer is deemed to be the place of sale, whether the delivery be by the vendor or by

1 common carriers, private contractors, mails, express, agents, salesmen, solicitors, hawkers,
2 representatives, consignors, peddlers, canvassers or otherwise;

3 ~~[(8)]~~ (9) "Sales price", the consideration including the charges for services, except charges
4 incident to the extension of credit, paid or given, or contracted to be paid or given, by the purchaser
5 to the vendor for the tangible personal property, including any services that are a part of the sale,
6 valued in money, whether paid in money or otherwise, and any amount for which credit is given to
7 the purchaser by the vendor, without any deduction therefrom on account of the cost of the property
8 sold, the cost of materials used, labor or service cost, losses or any other expenses whatsoever,
9 except that cash discounts allowed and taken on sales shall not be included and "sales price" shall
10 not include the amount charged for property returned by customers upon rescission of the contract
11 of sales when the entire amount charged therefor is refunded either in cash or credit or the amount
12 charged for labor or services rendered in installing or applying the property sold, the use, storage or
13 consumption of which is taxable pursuant to sections 144.600 to 144.745. The sales price shall not
14 include usual and customary delivery charges that are separately stated. In determining the amount
15 of tax due pursuant to sections 144.600 to 144.745, any charge incident to the extension of credit
16 shall be specifically exempted;

17 ~~[(9)]~~ (10) "Selling agent", every person acting as a representative of a principal, when such
18 principal is not registered with the director of revenue of the state of Missouri for the collection of
19 the taxes imposed pursuant to sections 144.010 to 144.525 or sections 144.600 to 144.745 and who
20 receives compensation by reason of the sale of tangible personal property of the principal, if such
21 property is to be stored, used, or consumed in this state;

22 ~~[(10)]~~ (11) "Storage", any keeping or retention in this state of tangible personal property
23 purchased from a vendor, except property for sale or property that is temporarily kept or retained in
24 this state for subsequent use outside the state;

25 ~~[(11)]~~ (12) "Tangible personal property", all items subject to the Missouri sales tax as
26 provided in subdivisions (1) and (3) of subsection 1 of section 144.020;

27 ~~[(12)]~~ (13) "Taxpayer", any person remitting the tax or who should remit the tax levied by
28 sections 144.600 to 144.745;

29 ~~[(13)]~~ (14) "Use", the exercise of any right or power over tangible personal property
30 incident to the ownership or control of that property, except that it does not include the temporary
31 storage of property in this state for subsequent use outside the state, or the sale of the property in the
32 regular course of business;

33 ~~[(14)]~~ (15) "Vendor", every person engaged in making sales of tangible personal property by
34 mail order, by advertising, by agent or peddling tangible personal property, soliciting or taking
35 orders for sales of tangible personal property, for storage, use or consumption in this state, all
36 salesmen, solicitors, hawkers, representatives, consignees, peddlers or canvassers, as agents of the
37 dealers, distributors, consignors, supervisors, principals or employers under whom they operate or
38 from whom they obtain the tangible personal property sold by them, and every person who
39 maintains a place of business in this state, maintains a stock of goods in this state, or engages in
40 business activities within this state and every person who engages in this state in the business of
41 acting as a selling agent for persons not otherwise vendors as defined in this subdivision.
42 Irrespective of whether they are making sales on their own behalf or on behalf of the dealers,
43 distributors, consignors, supervisors, principals or employers, they must be regarded as vendors and
44 the dealers, distributors, consignors, supervisors, principals or employers must be regarded as
45 vendors for the purposes of sections 144.600 to 144.745.

46 144.637. 1. The director of revenue shall provide and maintain a database that describes
47 boundary changes for all taxing jurisdictions and the effective dates of such changes for the use of
48 vendors collecting the tax imposed under sections 144.600 to 144.745.

49 2. For the identification of counties and cities, codes corresponding to the rates shall be

1 provided according to Federal Information Processing Standards (FIPS) as developed by the
2 National Institute of Standards and Technology. For the identification of all other jurisdictions,
3 codes corresponding to the rates shall be in a format determined by the director.

4 3. The director of revenue shall provide and maintain address-based boundary database
5 records for assigning taxing jurisdictions and associated rates. The database records shall meet the
6 requirements developed under the federal Mobile Telecommunications Sourcing Act, 4 U.S.C.
7 Section 119(a). If a vendor is unable to determine the applicable rate and jurisdiction after using an
8 address-based database record after exercising due diligence, the vendor may apply the nine-digit
9 zip code designation applicable to a purchase. If a nine-digit zip code designation is not available
10 for a street address or if a vendor is unable to determine the nine-digit zip code designation
11 applicable to a purchase after exercising due diligence to determine the designation, the vendor may
12 apply the rate for the five-digit zip code area. For the purposes of this section, there shall be a
13 rebuttable presumption that a vendor has exercised due diligence if the vendor has attempted to
14 determine the tax rate and jurisdiction by utilizing software approved by the director and makes the
15 assignment from the address and zip code information applicable to the purchase. The director of
16 revenue may also elect to certify address-based databases provided by a third party; provided that,
17 such databases shall be in the same approved format as the database records under this section and
18 shall meet the requirements developed under the federal Mobile Telecommunications Sourcing Act,
19 4 U.S.C. Section 119(a). If the director certifies an address-based database provided by a third
20 party, a vendor may use such database in place of the database records provided for in this
21 subsection.

22 4. The electronic databases provided for in subsections 1 to 3 of this section shall be in a
23 downloadable format as determined by the director of revenue. The databases may be directly
24 provided by the director or provided by a third party as designated by the director. The database
25 provided by the director shall be provided at no cost to users of the database. The provisions of
26 subsection 3 of this section shall not apply if the purchaser receives the purchased product at the
27 business location of the vendor.

28 5. No vendor shall be liable for reliance upon erroneous data provided by the director of
29 revenue on tax rates, boundaries, or taxing jurisdiction assignments.

30 144.638. 1. The director of revenue shall provide and maintain a taxability matrix. The
31 entries in the taxability matrix shall be provided and maintained in a database that is in a
32 downloadable format.

33 2. The director of revenue shall provide reasonable notice of changes in the taxability of the
34 products or services listed in the taxability matrix.

35 3. A seller or CSP shall be relieved from liability to this state or any local taxing jurisdiction
36 for having charged and collected the incorrect amount of state or local sales or use tax resulting
37 from such seller's or CSP's reliance on erroneous data provided or approved by the director of
38 revenue in the taxability matrix, and a seller shall be relieved from liability for erroneous returns
39 made by a CSP on behalf of the seller.

40 144.752. 1. For the purposes of this section, the following terms shall mean:

41 (1) "Marketplace facilitator", a person that:

42 (a) Facilitates a retail sale by a marketplace seller by listing or advertising for sale by the
43 marketplace seller, in any forum, tangible personal property or services that are subject to tax under
44 this chapter; and

45 (b) Either directly or indirectly through agreements or arrangements with third parties
46 collecting payment from the purchaser and transmitting such payment to the marketplace seller
47 regardless of whether the marketplace facilitator receives compensation or other consideration in
48 exchange for its services.

49

1 A "marketplace facilitator" is a seller and shall comply with the provisions of this chapter. A
 2 "marketplace facilitator" shall not include a person who provides internet advertising services or
 3 product listing, who does not collect payment from the purchaser and transmit payment to the
 4 marketplace seller, and who does not include a person with respect to the provision of travel agency
 5 services or the operation of a marketplace or that portion of a marketplace that enables consumers to
 6 receive travel agency services. For the purposes of this subdivision, "travel agency services" means
 7 facilitating, for a commission, fee, or other consideration, vacation or travel packages; rental car or
 8 other travel reservations; tickets for domestic or foreign travel by air, rail, ship, bus, or other
 9 medium of transportation; or hotel or other lodging accommodations;

10 (2) "Marketplace seller", a seller that makes sales through any electronic marketplace
 11 operated by a marketplace facilitator;

12 (3) "Person", any individual, firm, copartnership, joint venture, association, corporation,
 13 municipal or private, whether organized for profit or not; state, county, political subdivision, state
 14 department, commission, board, bureau, or agency, except the department of transportation; estate,
 15 trust, business trust, receiver or trustee appointed by the state or federal court; syndicate; or any
 16 other group or combination acting as a unit;

17 (4) "Purchaser", any person who is the recipient for a valuable consideration of any sale of
 18 tangible personal property acquired for use, storage, or consumption in this state;

19 (5) "Retail sale", the same meaning as defined under sections 144.010 and 144.011,
 20 excluding motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats, and outboard motors
 21 required to be titled under the laws of the state and subject to tax under subdivision (9) of subsection
 22 1 of section 144.020;

23 (6) "Seller", a person selling or furnishing tangible personal property or rendering services
 24 on the receipts from which a tax is imposed under section 144.020.

25 2. (1) By no later than January 1, 2021, marketplace facilitators that reach the threshold
 26 provided in paragraph (g) of subdivision (3) of section 144.605 shall register with the department to
 27 collect and remit sales and use tax, as applicable, on sales made through the marketplace facilitator's
 28 marketplace by or on behalf of a marketplace seller that are purchased in or delivered into the state,
 29 whether by the marketplace facilitator or another person, and regardless of whether the marketplace
 30 seller for whom sales are facilitated possesses a retail sales license or would have been required to
 31 collect sales or use tax had the sale not been facilitated by the marketplace facilitator. Such retail
 32 sales shall include those made directly by the marketplace facilitator and shall also include those
 33 retail sales made by marketplace sellers through the marketplace facilitator's marketplace. The
 34 collection and reporting requirements of this subsection shall not apply to retail sales other than
 35 those made through a marketplace facilitator's marketplace. Nothing in this section shall be
 36 construed to limit or prohibit the ability of a marketplace facilitator and a marketplace seller to enter
 37 into agreements regarding the fulfillment of the requirements of this chapter.

38 (2) All taxable sales made through a marketplace facilitator's marketplace by or on behalf of
 39 a marketplace seller shall be deemed to be consummated at the location in this state to which the
 40 item is shipped or delivered, or at which possession is taken by the purchaser.

41 3. Marketplace facilitators that are required to collect sales and use tax under this section
 42 shall report and remit the tax separately from any sales and use tax collected by the marketplace
 43 facilitator, or by affiliates of the marketplace facilitator, that the marketplace facilitator would have
 44 been required to collect and remit under the provisions of this chapter prior to January 1, 2021.
 45 Such tax shall be reported and remitted on a marketplace facilitator return to be developed and
 46 published by the department. Marketplace facilitators shall maintain records of all sales delivered to
 47 a location in the state, including copies of invoices showing the purchaser, address, purchase
 48 amount, and sales and use tax collected. Such records shall be made available for review and
 49 inspection upon request by the department.

1 4. Marketplace facilitators who properly collect and remit to the department in a timely
2 manner sales and use tax on sales in accordance with the provisions of this section by or on behalf
3 of marketplace sellers shall be eligible for any discount provided under this chapter.

4 5. A marketplace facilitator shall provide the purchaser with a statement or invoice showing
5 that the sales or use tax was collected and shall be remitted on the purchaser's behalf.

6 6. Any taxpayer who remits sales or use tax under this section shall be entitled to refunds or
7 credits to the same extent and in the same manner provided for in section 144.190 for taxes
8 collected and remitted under this section. Nothing in this section shall relieve a purchaser of the
9 obligation to remit sales or use tax for any retail sale taxable under this chapter for which a
10 marketplace facilitator or marketplace seller does not collect and remit the sales or use tax.

11 7. Except as provided under subsections 8 to 10 of this section, marketplace facilitators shall
12 be subject to the penalty provisions, procedures, and reporting requirements provided under the
13 provisions of this chapter.

14 8. No class action shall be brought against a marketplace facilitator in any court in this state
15 on behalf of purchasers arising from or in any way related to an overpayment of sales or use tax
16 collected on retail sales facilitated by a marketplace facilitator, regardless of whether that claim is
17 characterized as a tax refund claim. Nothing in this subsection shall affect a purchaser's right to
18 seek a refund as provided under section 144.190.

19 9. An audit performed by the department under this chapter shall only be performed on a
20 marketplace facilitator for sales made by marketplace sellers but facilitated by the marketplace
21 facilitator. The department shall not audit a marketplace seller for sales facilitated by a marketplace
22 facilitator except to the extent a marketplace facilitator seeks relief from liability under the
23 provisions of paragraph (a) of subdivision (1) of subsection 10 of this section.

24 10. (1) A marketplace facilitator shall be relieved from liability under this section for the
25 failure to collect and remit the correct amount of sales or use tax on retail sales facilitated for
26 marketplace sellers under the following circumstances:

27 (a) To the extent that the marketplace facilitator demonstrates to the satisfaction of the
28 department that the error was due to insufficient or incorrect information given to the marketplace
29 facilitator by the marketplace seller; provided, however, that a marketplace facilitator shall not be
30 relieved of liability under this paragraph if the marketplace facilitator and the marketplace seller are
31 affiliated;

32 (b) To the extent that the marketplace facilitator demonstrates to the satisfaction of the
33 department that:

34 a. The marketplace facilitator is not the seller and that the marketplace facilitator and
35 marketplace seller are not affiliated;

36 b. The retail sale was facilitated for a marketplace seller through a marketplace operated by
37 the marketplace facilitator; and

38 c. The failure to collect and remit the correct amount of sales or use tax was due to an error
39 other than an error in sourcing the sale under the provisions of this chapter.

40 (2) The relief from liability provided under subdivision (1) of this subsection shall not
41 exceed the following percentage of the total sales and use tax due on retail sales facilitated by a
42 marketplace facilitator for marketplace sellers and sourced to this state during a calendar year,
43 which such retail sales shall not include retail sales made directly by the marketplace facilitator or
44 affiliates of the marketplace facilitator:

45 (a) For retail sales made or facilitated during the 2021 calendar year, four percent;

46 (b) For retail sales made or facilitated during the 2022 calendar year, two percent;

47 (c) For retail sales made or facilitated during the 2023 calendar year, one percent; and

48 (d) For retail sales made or facilitated for all years beginning on or after January 1, 2024,
49 zero percent.

1 (3) To the extent that a marketplace facilitator is relieved of liability for the collection of
 2 sales and use tax under this subsection, the marketplace seller for whom the marketplace facilitator
 3 has made or facilitated the sale shall also be relieved of liability under this subsection.

4 (4) The department shall determine the manner in which a marketplace facilitator or
 5 marketplace seller shall apply for and claim the relief from liability provided for under this
 6 subsection.

7 11. For the purposes of this section, a marketplace facilitator shall not include a third-party
 8 financial institution appointed by a merchant or a marketplace facilitator to handle various forms of
 9 payment transactions, such as processing credit cards and debit cards, and whose sole activity with
 10 respect to marketplace sales is to facilitate the payment transactions between two parties."; and

11
 12 Further amend said bill, Page 99, Section 620.3210, Line 153, by inserting after all of said section
 13 and line the following:

14
 15 ~~"[144.1000. Sections 144.1000 to 144.1015 shall be known as and referred to as the~~
 16 ~~"Simplified Sales and Use Tax Administration Act".]~~

17
 18 ~~[144.1003. As used in sections 144.1000 to 144.1015, the following terms shall~~
 19 ~~mean:~~

20 ~~(1) "Agreement", the streamlined sales and use tax agreement;~~

21 ~~(2) "Certified automated system", software certified jointly by the states that are~~
 22 ~~signatories to the agreement to calculate the tax imposed by each jurisdiction on a~~
 23 ~~transaction, determine the amount of tax to remit to the appropriate state and~~
 24 ~~maintain a record of the transaction;~~

25 ~~(3) "Certified service provider", an agent certified jointly by the states that are~~
 26 ~~signatories to the agreement to perform all of the seller's sales tax functions;~~

27 ~~(4) "Person", an individual, trust, estate, fiduciary, partnership, limited liability~~
 28 ~~company, limited liability partnership, corporation or any other legal entity;~~

29 ~~(5) "Sales tax", any sales tax levied pursuant to this chapter, section 32.085, or any~~
 30 ~~other sales tax authorized by statute and levied by this state or its political~~
 31 ~~subdivisions;~~

32 ~~(6) "Seller", any person making sales, leases or rentals of personal property or~~
 33 ~~services;~~

34 ~~(7) "State", any state of the United States and the District of Columbia;~~

35 ~~(8) "Use tax", the use tax levied pursuant to this chapter.]~~

36 ~~[144.1006. For the purposes of reviewing and, if necessary, amending the agreement~~
 37 ~~embodying the simplification recommendations contained in section 144.1015, the~~
 38 ~~state may enter into multistate discussions. For purposes of such discussions, the~~
 39 ~~state shall be represented by seven delegates, one of whom shall be appointed by the~~
 40 ~~governor, two members appointed by the speaker of the house of representatives, one~~
 41 ~~member appointed by the minority leader of the house of representatives, two~~
 42 ~~members appointed by the president pro tempore of the senate and one member~~
 43 ~~appointed by the minority leader of the senate. The delegates need not be members~~
 44 ~~of the general assembly and at least one of the delegates appointed by the speaker of~~
 45 ~~the house of representatives and one member appointed by the president pro tempore~~
 46 ~~of the senate shall be from the private sector and represent the interests of Missouri~~
 47 ~~businesses. The delegates shall recommend to the committees responsible for~~
 48 ~~reviewing tax issues in the senate and the house of representatives each year any~~
 49 ~~amendment of state statutes required to be substantially in compliance with the~~

1 agreement. Such delegates shall make a written report by the fifteenth day of
 2 January each year regarding the status of the multistate discussions and upon final
 3 adoption of the terms of the sales and use tax agreement by the multistate body.]
 4

5 [144.1009. No provision of the agreement authorized by sections 144.1000 to
 6 144.1015 in whole or in part invalidates or amends any provision of the law of this
 7 state. Implementation of any condition of this agreement in this state, whether
 8 adopted before, at, or after membership of this state in the agreement, must be by
 9 action of the general assembly. Such report shall be delivered to the governor, the
 10 secretary of state, the president pro tempore of the senate and the speaker of the
 11 house of representatives and shall simultaneously be made publicly available by the
 12 secretary of state to any person requesting a copy.]
 13

14 [144.1012. Unless five of the seven delegates agree, the delegates shall not enter into
 15 or vote for any streamlined sales and use tax agreement that:

- 16 (1) Requires adoption of a definition of any term that would cause any item or
 17 transaction that is now excluded or exempted from sales or use tax to become subject
 18 to sales or use tax;
- 19 (2) Requires the state of Missouri to fully exempt or fully apply sales taxes to the
 20 sale of food or any other item;
- 21 (3) Restricts the ability of local governments under statutes in effect on August 28,
 22 2002, to enact one or more local taxes on one or more items without application of
 23 the tax to all sales within the taxing jurisdiction, however, restriction of any such
 24 taxes allowed by statutes effective after August 28, 2002, may be supported;
- 25 (4) Provides for adoption of any uniform rate structure that would result in a tax
 26 increase for any Missouri taxpayer;
- 27 (5) Affects the sourcing of sales tax transactions; or
- 28 (6) Prohibits limitations or thresholds on the application of sales and use tax rates or
 29 prohibits any current sales or use tax exemption in the state of Missouri, including
 30 exemptions that are based on the value of the transaction or item.]
 31

32 [144.1015. In addition to the requirements of section 144.1012, the delegates should
 33 consider the following features when deciding whether or not to enter into any
 34 streamlined sales and use tax agreement:

- 35 (1) The agreement should address the limitation of the number of state rates over
 36 time;
- 37 (2) The agreement should establish uniform standards for administration of exempt
 38 sales and the form used for filing sales and use tax returns and remittances;
- 39 (3) The agreement should require the state to provide a central, electronic
 40 registration system that allows a seller to register to collect and remit sales and use
 41 taxes for all signatory states;
- 42 (4) The agreement should provide that registration with the central registration
 43 system and the collection of sales and use taxes in the signatory states will not be
 44 used as a factor in determining whether the seller has nexus with a state for any tax;
- 45 (5) The agreement should provide for reduction of the burdens of complying with
 46 local sales and use taxes through the following so long as they do not conflict with
 47 the provisions of section 144.1012:
- 48 (a) Restricting variances between the state and local tax bases;
- 49 (b) Requiring states to administer any sales and use taxes levied by local

1 jurisdictions within the state so that sellers collecting and remitting these taxes will
2 not have to register or file returns with, remit funds to, or be subject to independent
3 audits from local taxing jurisdictions;

4 (c) Restricting the frequency of changes in the local sales and use tax rates and
5 setting effective dates for the application of local jurisdictional boundary changes to
6 local sales and use taxes; and

7 (d) Providing notice of changes in local sales and use tax rates and of changes in the
8 boundaries of local taxing jurisdictions;

9 (6) ~~The agreement should outline any monetary allowances that are to be provided
10 by the states to sellers or certified service providers. The agreement must allow for a
11 joint public and private sector study of the compliance cost on sellers and certified
12 service providers to collect sales and use taxes for state and local governments under
13 various levels of complexity to be completed by July 1, 2003;~~

14 (7) ~~The agreement should require each state to certify compliance with the terms of
15 the agreement prior to joining and to maintain compliance, under the laws of the
16 member state, with all provisions of the agreement while a member, only if the
17 agreement and any amendment thereto complies with the provisions of section
18 144.1012;~~

19 (8) ~~The agreement should require each state to adopt a uniform policy for certified
20 service providers that protects the privacy of consumers and maintains the
21 confidentiality of tax information; and~~

22 (9) ~~The agreement should provide for the appointment of an advisory council of
23 private sector representatives and an advisory council of nonmember state
24 representatives to consult with in the administration of the agreement.]~~
25

26 Section B. The provisions of sections 32.070, 32.071, 32.087, 144.020, 144.049, 144.054,
27 144.060, 144.079, 144.080, 144.082, 144.111, 144.112, 144.113, 144.114, 144.140, 144.190,
28 144.212, 144.600, 144.605, 144.637, 144.638, and 144.752 of section A of this act shall become
29 effective on January 1, 2021."; and

30
31 Further amend said bill by amending the title, enacting clause, and intersectional references
32 accordingly.