

HOUSE AMENDMENT NO. ____
TO
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Offered By

AMEND House Amendment No. ____ to House Committee Substitute for Senate Bill No. 544,
Page 1, Line 28, by inserting after all of said line the following:

"Further amend said bill, Page 21, Section 89.080, and Line 28, by inserting after all of said section
and line the following:

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

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

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

(3) "Municipality", any village or fourth class city with more than two hundred but less than
three hundred inhabitants and located in any county of the third classification with a township form
of government and with more than twelve thousand five hundred but less than twelve thousand six
hundred inhabitants;

(4) "Transient guest", a person or persons who occupy a room or rooms in a hotel or motel
for thirty-one days or less during any calendar quarter.

2. The governing body of any municipality may impose, by order or ordinance:

(1) A tax, not to exceed six percent per room per night, on the charges for all sleeping rooms
paid by the transient guests of hotels or motels situated in the municipality or a portion thereof; and

(2) A tax, not to exceed ~~two~~ six percent, on the gross receipts derived from the retail sales
of food by every person operating a food establishment in the municipality.

The taxes shall be imposed solely for ~~[the purpose of funding the construction, maintenance, and
operation of capital improvements]~~ general revenue purposes. The order or ordinance shall not
become effective unless the governing body of the municipality submits to the voters of the
municipality at a state general or primary election a proposal to authorize the governing body of the
municipality to impose taxes under this section. The taxes authorized in this section shall be in
addition to the charge for the sleeping room, the retail sales of food at a food establishment, and all
other taxes imposed by law, and shall be stated separately from all other charges and taxes.

3. The ballot of submission for the taxes authorized in this section shall be in substantially
the following form:

Shall _____ (insert the name of the municipality) impose a tax on the charges for all
retail sales of food at a food establishment situated in _____ (name of municipality)

Action Taken _____ Date _____

at a rate of _____ (insert rate of percent) percent, and for all sleeping rooms paid by the transient guests of hotels and motels situated in _____ (name of municipality) at a rate of _____ (insert rate of percent) percent, solely for the purpose of ~~[funding the construction, maintenance, and operation of capital improvements]~~ increasing general revenue funds?

☐ YES ☐ NO

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the taxes shall become effective on the first day of the second calendar quarter after the director of revenue receives notice of the adoption of the taxes. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the question, then the taxes shall not become effective unless and until the question is resubmitted under this section to the qualified voters and such question is approved by a majority of the qualified voters voting on the question.

4. Any tax on the retail sales of food imposed under this section shall be administered, collected, enforced, and operated as required in section 32.087, and any transient guest tax imposed under this section shall be administered, collected, enforced, and operated by the municipality imposing the tax. All revenue generated by the tax shall be deposited in a special trust fund and shall be used solely for the designated purposes. If the tax is repealed, all funds remaining in the special trust fund shall continue to be used solely for the designated purposes. Any funds in the special trust fund which are not needed for current expenditures may be invested in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

5. Once the initial bonds, if any, have been satisfied, then the governing body of any municipality that has adopted the taxes authorized in this section may submit the question of repeal of the taxes to the voters on any date available for elections for the municipality. The ballot of submission shall be in substantially the following form:

Shall _____ (insert the name of the municipality) repeal the taxes imposed at the rates of _____ (insert rate of percent) and _____ (insert rate of percent) percent for the purpose of ~~[funding the construction, maintenance, and operation of capital improvements]~~ increasing general revenue funds?

☐ YES ☐ NO

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

6. Once the initial bonds, if any, have been satisfied, then, whenever the governing body of any municipality that has adopted the taxes authorized in this section receives a petition, signed by ten percent of the registered voters of the municipality voting in the last gubernatorial election, calling for an election to repeal the taxes imposed under this section, the governing body shall submit to the voters of the municipality a proposal to repeal the taxes. If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the repeal, that repeal shall become effective on December thirty-first of the calendar year in which such repeal was approved. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal, then the tax shall remain effective until the question is resubmitted under this section to the qualified voters and the repeal is approved by a majority of the qualified voters voting on the

1 question."; and"; and

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

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6 THIS AMENDS AMENDMENT 4115H03.17H