

FIRST REGULAR SESSION

HOUSE BILL NO. 244

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE PORTER.

0638H.02I

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 32.087, 137.115, 144.049, 144.054, 144.060, 144.080, 144.140, 144.190, 144.600, 144.605, 144.757, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, and 144.1015, RSMo, and to enact in lieu thereof twenty-two new sections relating to the implementation of the utilizing streamlined sales and use tax services act, with penalty provisions and a delayed effective date.

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

Section A. Sections 32.087, 137.115, 144.049, 144.054, 144.060, 144.080, 144.140, 144.190, 144.600, 144.605, 144.757, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, and 144.1015, RSMo, are repealed and twenty-two new sections enacted in lieu thereof, to be known as sections 32.070, 32.087, 137.115, 144.049, 144.054, 144.060, 144.079, 144.080, 144.082, 144.111, 144.112, 144.113, 144.114, 144.140, 144.190, 144.212, 144.600, 144.605, 144.637, 144.638, 144.752, and 144.757, to read as follows:

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

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

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

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

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

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

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

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

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

25 **5. The department is hereby authorized to collaborate with the governing board**
26 **to:**

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

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

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

35 **(b) The responsibilities of the governing board, certified service providers, and the**
36 **sellers that contract with certified service providers relating to record keeping, auditing,**
37 **and the protection of taxpayer information confidentiality; and**

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

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

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

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

32.087. 1. Within ten days after the adoption of any ordinance or order in favor of
2 adoption of any local sales tax authorized under the local sales tax law by the voters of a taxing
3 entity, the governing body or official of such taxing entity shall forward to the director of revenue
4 by United States registered mail or certified mail a certified copy of the ordinance or order. ~~[The~~
5 ~~ordinance or order shall reflect the effective date thereof.]~~

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

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

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

20 ~~5.]~~ (1) The ordinance or order imposing a local sales tax under the local sales tax law
 21 shall impose a tax upon all transactions upon which the Missouri state sales tax is imposed to
 22 the extent and in the manner provided in ~~[sections 144.010 to 144.525]~~ **chapter 144**, and the
 23 rules and regulations of the director of revenue issued pursuant thereto; except that the rate of
 24 the tax shall be the sum of the combined rate of the state sales tax or state highway use tax and
 25 all local sales taxes imposed under the provisions of the local sales tax law.

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

34

35 Shall the _____ (local jurisdiction's name) discontinue applying and
 36 collecting the local sales tax on the titling of motor vehicles, trailers, boats, and
 37 outboard motors that were purchased from a source other than a licensed
 38 Missouri dealer?

39 Approval of this measure will result in a reduction of local revenue to provide for
 40 vital services for _____ (local jurisdiction's name) and it will place Missouri
 41 dealers of motor vehicles, outboard motors, boats, and trailers at a competitive
 42 disadvantage to non-Missouri dealers of motor vehicles, outboard motors, boats,
 43 and trailers.

44

YES

NO

45

46 If you are in favor of the question, place an "X" in the box opposite "YES". If you
 47 are opposed to the question, place an "X" in the box opposite "NO".

48

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

54

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

56 that had previously imposed a local use tax on the use of motor vehicles, trailers, boats, and
57 outboard motors may, at any time, place a proposal on the ballot at any election to repeal
58 application of the local sales tax to the titling of motor vehicles, trailers, boats, and outboard
59 motors purchased from a source other than a licensed Missouri dealer. If a majority of the votes
60 cast by the registered voters voting thereon are in favor of the proposal to repeal application of
61 the local sales tax to such titling, then the local sales tax shall no longer be applied to the titling
62 of motor vehicles, trailers, boats, and outboard motors purchased from a source other than a
63 licensed Missouri dealer. If a majority of the votes cast by the registered voters voting thereon
64 are opposed to the proposal to repeal application of the local sales tax to such titling, such
65 application shall remain in effect.

66 (5) In addition to the requirement that the ballot question set forth in subdivision (2) of
67 this subsection be placed before the voters on or after the general election in November 2014,
68 and on or before the general election in November 2022, whenever the governing body of any
69 local taxing jurisdiction imposing a local sales tax on the sale of motor vehicles, trailers, boats,
70 and outboard motors receives a petition, signed by fifteen percent of the registered voters of such
71 jurisdiction voting in the last gubernatorial election, and calling for a proposal to be placed on
72 the ballot at any election to repeal application of the local sales tax to the titling of motor
73 vehicles, trailers, boats, and outboard motors purchased from a source other than a licensed
74 Missouri dealer, the governing body shall submit to the voters of such jurisdiction a proposal to
75 repeal application of the local sales tax to such titling. If a majority of the votes cast by the
76 registered voters voting thereon are in favor of the proposal to repeal application of the local
77 sales tax to such titling, then the local sales tax shall no longer be applied to the titling of motor
78 vehicles, trailers, boats, and outboard motors purchased from a source other than a licensed
79 Missouri dealer. If a majority of the votes cast by the registered voters voting thereon are
80 opposed to the proposal to repeal application of the local sales tax to such titling, such
81 application shall remain in effect.

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

84 (7) If any local sales tax on the titling of motor vehicles, trailers, boats, and outboard
85 motors purchased from a source other than a licensed Missouri dealer is repealed, such repeal
86 shall take effect ~~[on the first day of the second calendar quarter after the election]~~ **as provided**
87 **in subsection 19 of this section.** If any local sales tax on the titling of motor vehicles, trailers,
88 boats, and outboard motors purchased from a source other than a licensed Missouri dealer is
89 required to cease to be applied or collected due to failure of a local taxing jurisdiction to hold an
90 election pursuant to subdivision (2) of this subsection, such cessation shall take effect on March
91 1, 2023.

92 (8) Notwithstanding any provision of law to the contrary, if any local sales tax on the
 93 titling of motor vehicles, trailers, boats, and outboard motors purchased from a source other than
 94 a licensed Missouri dealer is repealed after the general election in November 2014, or if the
 95 taxing jurisdiction failed to present the ballot to the voters at a general election on or before
 96 November 2022, then the governing body of such taxing jurisdiction may, at any election
 97 subsequent to the repeal or after the general election in November 2022, if the jurisdiction failed
 98 to present the ballot to the voters, place before the voters the issue of imposing a sales tax on the
 99 titling of motor vehicles, trailers, boats, and outboard motors that are subject to state sales tax
 100 under section 144.020 that were purchased from a source other than a licensed Missouri dealer.
 101 The ballot question presented to the local voters shall contain substantially the following
 102 language:

103

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

108 Approval of this measure will result in an increase of local revenue to provide for
 109 vital services for _____ (local jurisdiction's name), and it will remove a
 110 competitive advantage that non-Missouri dealers of motor vehicles, outboard
 111 motors, boats, and trailers have over Missouri dealers of motor vehicles, outboard
 112 motors, boats, and trailers.

113 YES NO

114

115 If you are in favor of the question, place an "X" in the box opposite "YES". If you
 116 are opposed to the question, place an "X" in the box opposite "NO".

117

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

122 ~~[6-]~~ 5. On and after the effective date of any local sales tax imposed under the provisions
 123 of the local sales tax law, the director of revenue shall perform all functions incident to the
 124 administration, collection, enforcement, and operation of the tax, and the director of revenue
 125 shall collect in addition to the sales tax for the state of Missouri all additional local sales taxes
 126 authorized under the authority of the local sales tax law. All local sales taxes imposed under the
 127 local sales tax law together with all taxes imposed under the sales tax law of the state of Missouri

128 shall be collected together and reported upon such forms and under such administrative rules and
129 regulations as may be prescribed by the director of revenue.

130 ~~[7.]~~ **6.** All applicable provisions contained in ~~[sections 144.010 to 144.525]~~ **chapter 144**
131 governing the state sales tax and section 32.057, the uniform confidentiality provision, shall
132 apply to the collection of any local sales tax imposed under the local sales tax law except as
133 modified by the local sales tax law.

134 ~~[8.]~~ **7.** All exemptions granted to agencies of government, organizations, persons and to
135 the sale of certain articles and items of tangible personal property and taxable services under ~~[the~~
136 ~~provisions of sections 144.010 to 144.525]~~ **chapter 144**, as these sections now read and as they
137 may hereafter be amended, it being the intent of this general assembly to ensure that the same
138 sales tax exemptions granted from the state sales tax law also be granted under the local sales
139 tax law, are hereby made applicable to the imposition and collection of all local sales taxes
140 imposed under the local sales tax law.

141 ~~[9.]~~ **8.** The same sales tax permit, exemption certificate and retail certificate required ~~[by~~
142 ~~sections 144.010 to 144.525]~~ **under chapter 144** for the administration and collection of the
143 state sales tax shall satisfy the requirements of the local sales tax law, and no additional permit
144 or exemption certificate or retail certificate shall be required; except that the director of revenue
145 may prescribe a form of exemption certificate for an exemption from any local sales tax imposed
146 by the local sales tax law.

147 ~~[10.]~~ **9.** All discounts allowed the retailer under the provisions of the state sales tax law
148 for the collection of and for payment of taxes under the provisions of the state sales tax law are
149 hereby allowed and made applicable to any local sales tax collected under the provisions of the
150 local sales tax law.

151 ~~[11.]~~ **10.** The penalties provided in section 32.057 and ~~[sections 144.010 to 144.525]~~
152 **chapter 144** for a violation of the provisions of those sections are hereby made applicable to
153 violations of the provisions of the local sales tax law.

154 ~~[12.-(1)]~~ **11.** For the purposes of any local sales tax imposed by an ordinance or order
155 under the local sales tax law, all sales~~[-except the sale of motor vehicles, trailers, boats, and~~
156 ~~outboard motors required to be titled under the laws of the state of Missouri, shall be deemed to~~
157 ~~be consummated at the place of business of the retailer unless the tangible personal property sold~~
158 ~~is delivered by the retailer or his agent to an out-of-state destination. In the event a retailer has~~
159 ~~more than one place of business in this state which participates in the sale, the sale shall be~~
160 ~~deemed to be consummated at the place of business of the retailer where the initial order for the~~
161 ~~tangible personal property is taken, even though the order must be forwarded elsewhere for~~
162 ~~acceptance, approval of credit, shipment or billing. A sale by a retailer's agent or employee shall~~
163 ~~be deemed to be consummated at the place of business from which he works.~~

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

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

174 [13.] 12. Local sales taxes shall not be imposed on the seller of motor vehicles, trailers,
175 boats, and outboard motors required to be titled under the laws of the state of Missouri, but shall
176 be collected from the purchaser by the director of revenue at the time application is made for a
177 certificate of title, if the address of the applicant is within a taxing entity imposing a local sales
178 tax under the local sales tax law.

179 [14.] 13. The director of revenue and any of his deputies, assistants and employees who
180 have any duties or responsibilities in connection with the collection, deposit, transfer, transmittal,
181 disbursement, safekeeping, accounting, or recording of funds which come into the hands of the
182 director of revenue under the provisions of the local sales tax law shall enter a surety bond or
183 bonds payable to any and all taxing entities in whose behalf such funds have been collected
184 under the local sales tax law in the amount of one hundred thousand dollars for each such tax;
185 but the director of revenue may enter into a blanket bond covering himself and all such deputies,
186 assistants and employees. The cost of any premium for such bonds shall be paid by the director
187 of revenue from the share of the collections under the sales tax law retained by the director of
188 revenue for the benefit of the state.

189 [15.] 14. The director of revenue shall annually report on his management of each trust
190 fund which is created under the local sales tax law and administration of each local sales tax
191 imposed under the local sales tax law. He shall provide each taxing entity imposing one or more
192 local sales taxes authorized by the local sales tax law with a detailed accounting of the source
193 of all funds received by him for the taxing entity. Notwithstanding any other provisions of law,
194 the state auditor shall annually audit each trust fund. A copy of the director's report and annual
195 audit shall be forwarded to each taxing entity imposing one or more local sales taxes.

196 [16.] 15. Within the boundaries of any taxing entity where one or more local sales taxes
197 have been imposed, if any person is delinquent in the payment of the amount required to be paid
198 by him under the local sales tax law or in the event a determination has been made against him
199 for taxes and penalty under the local sales tax law, the limitation for bringing suit for the

200 collection of the delinquent tax and penalty shall be the same as that provided in ~~[sections~~
201 ~~144.010 to 144.525]~~ **chapter 144**. Where the director of revenue has determined that suit must
202 be filed against any person for the collection of delinquent taxes due the state under the state
203 sales tax law, and where such person is also delinquent in payment of taxes under the local sales
204 tax law, the director of revenue shall notify the taxing entity in the event any person fails or
205 refuses to pay the amount of any local sales tax due so that appropriate action may be taken by
206 the taxing entity.

207 ~~[17.]~~ **16.** Where property is seized by the director of revenue under the provisions of any
208 law authorizing seizure of the property of a taxpayer who is delinquent in payment of the tax
209 imposed by the state sales tax law, and where such taxpayer is also delinquent in payment of any
210 tax imposed by the local sales tax law, the director of revenue shall permit the taxing entity to
211 join in any sale of property to pay the delinquent taxes and penalties due the state and to the
212 taxing entity under the local sales tax law. The proceeds from such sale shall first be applied to
213 all sums due the state, and the remainder, if any, shall be applied to all sums due such taxing
214 entity.

215 ~~[18.]~~ **17.** If a local sales tax has been in effect for at least one year under the provisions
216 of the local sales tax law and voters approve reimposition of the same local sales tax at the same
217 rate at an election as provided for in the local sales tax law prior to the date such tax is due to
218 expire, the tax so reimposed shall become effective ~~[the first day of the first calendar quarter after~~
219 ~~the director receives a certified copy of the ordinance, order or resolution accompanied by a map~~
220 ~~clearly showing the boundaries thereof and the results of such election, provided that such~~
221 ~~ordinance, order or resolution and all necessary accompanying materials are received by the~~
222 ~~director at least thirty days prior to the expiration of such tax]~~ **as provided by subsection 19 of**
223 **this section.** Any administrative cost or expense incurred by the state as a result of the
224 provisions of this subsection shall be paid by the city or county reimposing such tax.

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

234 **19. (1) The effective date for the imposition, repeal, or rate change of each local**
235 **sales or use tax is the first day of the calendar quarter after a minimum of one hundred**

236 **twenty days' notice to sellers. In all cases when notice is required to be made to the**
237 **director of revenue by a local taxing jurisdiction, such notice shall be made at least one**
238 **hundred twenty days prior to the effective date for the imposition, repeal, or rate change**
239 **of a local sales or use tax.**

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

243 **20. (1) For a rate increase, the new rate shall apply to the first billing period**
244 **starting on or after the effective date.**

245 **(2) For a rate decrease, the new rate shall apply to bills rendered on or after the**
246 **effective date.**

137.115. 1. All other laws to the contrary notwithstanding, the assessor or the assessor's
2 deputies in all counties of this state including the City of St. Louis shall annually make a list of
3 all real and tangible personal property taxable in the assessor's city, county, town or district.
4 Except as otherwise provided in subsection 3 of this section and section 137.078, the assessor
5 shall annually assess all personal property at thirty-three and one-third percent of its true value
6 in money as of January first of each calendar year. The assessor shall annually assess all real
7 property, including any new construction and improvements to real property, and possessory
8 interests in real property at the percent of its true value in money set in subsection 5 of this
9 section. The true value in money of any possessory interest in real property in subclass (3),
10 where such real property is on or lies within the ultimate airport boundary as shown by a federal
11 airport layout plan, as defined by 14 CFR 151.5, of a commercial airport having a FAR Part 139
12 certification and owned by a political subdivision, shall be the otherwise applicable true value
13 in money of any such possessory interest in real property, less the total dollar amount of costs
14 paid by a party, other than the political subdivision, towards any new construction or
15 improvements on such real property completed after January 1, 2008, and which are included in
16 the above-mentioned possessory interest, regardless of the year in which such costs were incurred
17 or whether such costs were considered in any prior year. The assessor shall annually assess all
18 real property in the following manner: new assessed values shall be determined as of January
19 first of each odd-numbered year and shall be entered in the assessor's books; those same assessed
20 values shall apply in the following even-numbered year, except for new construction and
21 property improvements which shall be valued as though they had been completed as of January
22 first of the preceding odd-numbered year. The assessor may call at the office, place of doing
23 business, or residence of each person required by this chapter to list property, and require the
24 person to make a correct statement of all taxable tangible personal property owned by the person
25 or under his or her care, charge or management, taxable in the county. On or before January first

26 of each even-numbered year, the assessor shall prepare and submit a two-year assessment
27 maintenance plan to the county governing body and the state tax commission for their respective
28 approval or modification. The county governing body shall approve and forward such plan or
29 its alternative to the plan to the state tax commission by February first. If the county governing
30 body fails to forward the plan or its alternative to the plan to the state tax commission by
31 February first, the assessor's plan shall be considered approved by the county governing body.
32 If the state tax commission fails to approve a plan and if the state tax commission and the
33 assessor and the governing body of the county involved are unable to resolve the differences, in
34 order to receive state cost-share funds outlined in section 137.750, the county or the assessor
35 shall petition the administrative hearing commission, by May first, to decide all matters in
36 dispute regarding the assessment maintenance plan. Upon agreement of the parties, the matter
37 may be stayed while the parties proceed with mediation or arbitration upon terms agreed to by
38 the parties. The final decision of the administrative hearing commission shall be subject to
39 judicial review in the circuit court of the county involved. In the event a valuation of subclass
40 (1) real property within any county with a charter form of government, or within a city not within
41 a county, is made by a computer, computer-assisted method or a computer program, the burden
42 of proof, supported by clear, convincing and cogent evidence to sustain such valuation, shall be
43 on the assessor at any hearing or appeal. In any such county, unless the assessor proves
44 otherwise, there shall be a presumption that the assessment was made by a computer,
45 computer-assisted method or a computer program. Such evidence shall include, but shall not be
46 limited to, the following:

47 (1) The findings of the assessor based on an appraisal of the property by generally
48 accepted appraisal techniques; and

49 (2) The purchase prices from sales of at least three comparable properties and the address
50 or location thereof. As used in this subdivision, the word "comparable" means that:

51 (a) Such sale was closed at a date relevant to the property valuation; and

52 (b) Such properties are not more than one mile from the site of the disputed property,
53 except where no similar properties exist within one mile of the disputed property, the nearest
54 comparable property shall be used. Such property shall be within five hundred square feet in size
55 of the disputed property, and resemble the disputed property in age, floor plan, number of rooms,
56 and other relevant characteristics.

57 2. Assessors in each county of this state and the City of St. Louis may send personal
58 property assessment forms through the mail.

59 3. The following items of personal property shall each constitute separate subclasses of
60 tangible personal property and shall be assessed and valued for the purposes of taxation at the
61 following percentages of their true value in money:

62 (1) Grain and other agricultural crops in an unmanufactured condition, one-half of one
63 percent;

64 (2) Livestock, twelve percent;

65 (3) Farm machinery, twelve percent;

66 (4) Motor vehicles which are eligible for registration as and are registered as historic
67 motor vehicles pursuant to section 301.131 and aircraft which are at least twenty-five years old
68 and which are used solely for noncommercial purposes and are operated less than fifty hours per
69 year or aircraft that are home built from a kit, five percent;

70 (5) Poultry, twelve percent; and

71 (6) Tools and equipment used for pollution control and tools and equipment used in
72 retooling for the purpose of introducing new product lines or used for making improvements to
73 existing products by any company which is located in a state enterprise zone and which is
74 identified by any standard industrial classification number cited in subdivision (7) of section
75 135.200, twenty-five percent.

76 4. The person listing the property shall enter a true and correct statement of the property,
77 in a printed blank prepared for that purpose. The statement, after being filled out, shall be signed
78 and either affirmed or sworn to as provided in section 137.155. The list shall then be delivered
79 to the assessor.

80 5. (1) All subclasses of real property, as such subclasses are established in Section 4(b)
81 of Article X of the Missouri Constitution and defined in section 137.016, shall be assessed at the
82 following percentages of true value:

83 (a) For real property in subclass (1), nineteen percent;

84 (b) For real property in subclass (2), twelve percent; and

85 (c) For real property in subclass (3), ~~thirty-two~~ **thirty-one** percent.

86 (2) A taxpayer may apply to the county assessor, or, if not located within a county, then
87 the assessor of such city, for the reclassification of such taxpayer's real property if the use or
88 purpose of such real property is changed after such property is assessed under the provisions of
89 this chapter. If the assessor determines that such property shall be reclassified, he or she shall
90 determine the assessment under this subsection based on the percentage of the tax year that such
91 property was classified in each subclassification.

92 6. Manufactured homes, as defined in section 700.010, which are actually used as
93 dwelling units shall be assessed at the same percentage of true value as residential real property
94 for the purpose of taxation. The percentage of assessment of true value for such manufactured
95 homes shall be the same as for residential real property. If the county collector cannot identify
96 or find the manufactured home when attempting to attach the manufactured home for payment
97 of taxes owed by the manufactured home owner, the county collector may request the county

98 commission to have the manufactured home removed from the tax books, and such request shall
99 be granted within thirty days after the request is made; however, the removal from the tax books
100 does not remove the tax lien on the manufactured home if it is later identified or found. For
101 purposes of this section, a manufactured home located in a manufactured home rental park, rental
102 community or on real estate not owned by the manufactured home owner shall be considered
103 personal property. For purposes of this section, a manufactured home located on real estate
104 owned by the manufactured home owner may be considered real property.

105 7. Each manufactured home assessed shall be considered a parcel for the purpose of
106 reimbursement pursuant to section 137.750, unless the manufactured home is real estate as
107 defined in subsection 7 of section 442.015 and assessed as a realty improvement to the existing
108 real estate parcel.

109 8. Any amount of tax due and owing based on the assessment of a manufactured home
110 shall be included on the personal property tax statement of the manufactured home owner unless
111 the manufactured home is real estate as defined in subsection 7 of section 442.015, in which case
112 the amount of tax due and owing on the assessment of the manufactured home as a realty
113 improvement to the existing real estate parcel shall be included on the real property tax statement
114 of the real estate owner.

115 9. The assessor of each county and each city not within a county shall use the trade-in
116 value published in the October issue of the National Automobile Dealers' Association Official
117 Used Car Guide, or its successor publication, as the recommended guide of information for
118 determining the true value of motor vehicles described in such publication. The assessor shall
119 not use a value that is greater than the average trade-in value in determining the true value of the
120 motor vehicle without performing a physical inspection of the motor vehicle. For vehicles two
121 years old or newer from a vehicle's model year, the assessor may use a value other than average
122 without performing a physical inspection of the motor vehicle. In the absence of a listing for a
123 particular motor vehicle in such publication, the assessor shall use such information or
124 publications which in the assessor's judgment will fairly estimate the true value in money of the
125 motor vehicle.

126 10. Before the assessor may increase the assessed valuation of any parcel of subclass (1)
127 real property by more than fifteen percent since the last assessment, excluding increases due to
128 new construction or improvements, the assessor shall conduct a physical inspection of such
129 property.

130 11. If a physical inspection is required, pursuant to subsection 10 of this section, the
131 assessor shall notify the property owner of that fact in writing and shall provide the owner clear
132 written notice of the owner's rights relating to the physical inspection. If a physical inspection
133 is required, the property owner may request that an interior inspection be performed during the

134 physical inspection. The owner shall have no less than thirty days to notify the assessor of a
135 request for an interior physical inspection.

136 12. A physical inspection, as required by subsection 10 of this section, shall include, but
137 not be limited to, an on-site personal observation and review of all exterior portions of the land
138 and any buildings and improvements to which the inspector has or may reasonably and lawfully
139 gain external access, and shall include an observation and review of the interior of any buildings
140 or improvements on the property upon the timely request of the owner pursuant to subsection 11
141 of this section. Mere observation of the property via a drive-by inspection or the like shall not
142 be considered sufficient to constitute a physical inspection as required by this section.

143 13. A county or city collector may accept credit cards as proper form of payment of
144 outstanding property tax or license due. No county or city collector may charge surcharge for
145 payment by credit card which exceeds the fee or surcharge charged by the credit card bank,
146 processor, or issuer for its service. A county or city collector may accept payment by electronic
147 transfers of funds in payment of any tax or license and charge the person making such payment
148 a fee equal to the fee charged the county by the bank, processor, or issuer of such electronic
149 payment.

150 14. Any county or city not within a county in this state may, by an affirmative vote of
151 the governing body of such county, opt out of the provisions of this section and sections 137.073,
152 138.060, and 138.100 as enacted by house bill no. 1150 of the ninety-first general assembly,
153 second regular session and section 137.073 as modified by house committee substitute for senate
154 substitute for senate committee substitute for senate bill no. 960, ninety-second general
155 assembly, second regular session, for the next year of the general reassessment, prior to January
156 first of any year. No county or city not within a county shall exercise this opt-out provision after
157 implementing the provisions of this section and sections 137.073, 138.060, and 138.100 as
158 enacted by house bill no. 1150 of the ninety-first general assembly, second regular session and
159 section 137.073 as modified by house committee substitute for senate substitute for senate
160 committee substitute for senate bill no. 960, ninety-second general assembly, second regular
161 session, in a year of general reassessment. For the purposes of applying the provisions of this
162 subsection, a political subdivision contained within two or more counties where at least one of
163 such counties has opted out and at least one of such counties has not opted out shall calculate a
164 single tax rate as in effect prior to the enactment of house bill no. 1150 of the ninety-first general
165 assembly, second regular session. A governing body of a city not within a county or a county
166 that has opted out under the provisions of this subsection may choose to implement the
167 provisions of this section and sections 137.073, 138.060, and 138.100 as enacted by house bill
168 no. 1150 of the ninety-first general assembly, second regular session, and section 137.073 as
169 modified by house committee substitute for senate substitute for senate committee substitute for

170 senate bill no. 960, ninety-second general assembly, second regular session, for the next year of
171 general reassessment, by an affirmative vote of the governing body prior to December thirty-first
172 of any year.

173 15. The governing body of any city of the third classification with more than twenty-six
174 thousand three hundred but fewer than twenty-six thousand seven hundred inhabitants located
175 in any county that has exercised its authority to opt out under subsection 14 of this section may
176 levy separate and differing tax rates for real and personal property only if such city bills and
177 collects its own property taxes or satisfies the entire cost of the billing and collection of such
178 separate and differing tax rates. Such separate and differing rates shall not exceed such city's tax
179 rate ceiling.

180 16. Any portion of real property that is available as reserve for strip, surface, or coal
181 mining for minerals for purposes of excavation for future use or sale to others that has not been
182 bonded and permitted under chapter 444 shall be assessed based upon how the real property is
183 currently being used. Any information provided to a county assessor, state tax commission, state
184 agency, or political subdivision responsible for the administration of tax policies shall, in the
185 performance of its duties, make available all books, records, and information requested, except
186 such books, records, and information as are by law declared confidential in nature, including
187 individually identifiable information regarding a specific taxpayer or taxpayer's mine property.
188 For purposes of this subsection, "mine property" shall mean all real property that is in use or
189 readily available as a reserve for strip, surface, or coal mining for minerals for purposes of
190 excavation for current or future use or sale to others that has been bonded and permitted under
191 chapter 444.

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

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

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

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

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

32 3. ~~If the governing body of any political subdivision adopted an ordinance that applied~~
33 ~~to the 2004 sales tax holiday to prohibit the provisions of this section from allowing the sales tax~~
34 ~~holiday to apply to such political subdivision's local sales tax, then, notwithstanding any~~
35 ~~provision of a local ordinance to the contrary, the 2005 sales tax holiday shall not apply to such~~
36 ~~political subdivision's local sales tax. However, any such political subdivision may enact an~~
37 ~~ordinance to allow the 2005 sales tax holiday to apply to its local sales taxes. A political~~
38 ~~subdivision must notify the department of revenue not less than forty-five calendar days prior~~
39 ~~to the beginning date of the sales tax holiday occurring in that year of any ordinance or order~~
40 ~~rescinding an ordinance or order to opt out.~~

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

43 ~~[5.] 4. This section applies to sales of items bought for personal use only.~~

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

50 ———7.] 5. This section may not apply to any retailer when less than two percent of the
51 retailer's merchandise offered for sale qualifies for the sales tax holiday. The retailer [~~shall~~] may
52 offer a sales tax refund in lieu of the sales tax holiday.

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

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

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

60 **7. The exemption of a bundled transaction shall be calculated as provided by law**
61 **for all other bundled transactions.**

62 **8. (1) For any discount offered by a seller that is a reduction of the sales price of**
63 **the product, the discounted sales price shall determine whether the sales price falls below**
64 **the price threshold provided in subsection 1 of this section. A coupon that reduces the sales**
65 **price shall be treated as a discount only if the seller is not reimbursed for the coupon**
66 **amount by a third party.**

67 **(2) If a discount applies to the total amount paid by a purchaser rather than to the**
68 **sales price of a particular product and the purchaser has purchased both exempt property**
69 **and taxable property, the seller shall allocate the discount based on the total sales price of**
70 **the taxable property compared to the total sales price of all property sold in the same**
71 **transaction.**

72 **9. Items that are normally sold as a single unit shall continue to be sold in that**
73 **manner and shall not be priced separately and sold as individual items.**

74 **10. Items that are purchased during an exemption period but that are not delivered**
75 **to the purchaser until after the exemption period due to the item not being in stock shall**
76 **qualify for an exemption. The provisions of this subsection shall not apply to an item that**
77 **was delivered during an exemption period but was purchased prior to or after the**
78 **exemption period.**

79 **11. (1) If a purchaser purchases an item of eligible property during an exemption**
80 **period but later exchanges the item for a similar eligible item after the exemption period,**
81 **no additional tax shall be due on the new item.**

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

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

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

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

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

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

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

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

11 2. In addition to all other exemptions granted under this chapter, there is hereby
12 specifically exempted from the provisions of [~~sections 144.010 to 144.525 and 144.600 to~~
13 ~~144.761, and from the computation of the tax levied, assessed, or payable under sections 144.010~~
14 ~~to 144.525 and 144.600 to 144.761]~~ **this chapter and the local sales tax law as defined in**
15 **section 32.085 and from the computation of the tax levied, assessed, or payable under this**
16 **chapter and the local sales tax law as defined in section 32.085**, electrical energy and gas,
17 whether natural, artificial, or propane, water, coal, and energy sources, chemicals, machinery,
18 equipment, and materials used or consumed in the manufacturing, processing, compounding,
19 mining, or producing of any product, or used or consumed in the processing of recovered
20 materials, or used in research and development related to manufacturing, processing,
21 compounding, mining, or producing any product. [~~The exemptions granted in this subsection~~
22 ~~shall not apply to local sales taxes as defined in section 32.085 and the provisions of this~~
23 ~~subsection shall be in addition to any state and local sales tax exemption provided in section~~
24 ~~144.030.] The construction and application of this subsection as expressed by the Missouri
25 supreme court in DST Systems, Inc. v. Director of Revenue, 43 S.W.3d 799 (Mo. banc 2001);
26 Southwestern Bell Tel. Co. v. Director of Revenue, 78 S.W.3d 763 (Mo. banc 2002); and
27 Southwestern Bell Tel. Co. v. Director of Revenue, 182 S.W.3d 226 (Mo. banc 2005), is hereby
28 affirmed.~~

29 3. In addition to all other exemptions granted under this chapter, there is hereby
30 specifically exempted from the provisions of [~~sections 144.010 to 144.525 and 144.600 to~~
31 ~~144.761, and section 238.235,~~] **this chapter** and the local sales tax law as defined in section
32 32.085, and from the computation of the tax levied, assessed, or payable under [~~sections 144.010~~
33 ~~to 144.525 and 144.600 to 144.761, and section 238.235,~~] this chapter and the local sales tax law
34 as defined in section 32.085, all utilities, machinery, and equipment used or consumed directly
35 in television or radio broadcasting and all sales and purchases of tangible personal property,
36 utilities, services, or any other transaction that would otherwise be subject to the state or local
37 sales or use tax when such sales are made to or purchases are made by a contractor for use in
38 fulfillment of any obligation under a defense contract with the United States government, and
39 all sales and leases of tangible personal property by any county, city, incorporated town, or
40 village, provided such sale or lease is authorized under chapter 100, and such transaction is
41 certified for sales tax exemption by the department of economic development, and tangible
42 personal property used for railroad infrastructure brought into this state for processing,
43 fabrication, or other modification for use outside the state in the regular course of business.

44 4. In addition to all other exemptions granted under this chapter, there is hereby
45 specifically exempted from the provisions of [~~sections 144.010 to 144.525 and 144.600 to~~
46 ~~144.761, and section 238.235,~~] **this chapter** and the local sales tax law as defined in section
47 32.085, and from the computation of the tax levied, assessed, or payable under [~~sections 144.010~~
48 ~~to 144.525 and 144.600 to 144.761, and section 238.235,~~] **this chapter** and the local sales tax
49 law as defined in section 32.085, all sales and purchases of tangible personal property, utilities,
50 services, or any other transaction that would otherwise be subject to the state or local sales or use
51 tax when such sales are made to or purchases are made by a private partner for use in completing
52 a project under sections 227.600 to 227.669.

53 5. In addition to all other exemptions granted under this chapter, there is hereby
54 specifically exempted from the provisions of [~~sections 144.010 to 144.525 and 144.600 to~~
55 ~~144.761, and section 238.235,~~] **this chapter** and the local sales tax law as defined in section
56 32.085, and from the computation of the tax levied, assessed, or payable under [~~sections 144.010~~
57 ~~to 144.525 and 144.600 to 144.761, and section 238.235,~~] **this chapter** and the local sales tax
58 law as defined in section 32.085, all materials, manufactured goods, machinery and parts,
59 electrical energy and gas, whether natural, artificial or propane, water, coal and other energy
60 sources, chemicals, soaps, detergents, cleaning and sanitizing agents, and other ingredients and
61 materials inserted by commercial or industrial laundries to treat, clean, and sanitize textiles in
62 facilities which process at least five hundred pounds of textiles per hour and at least sixty
63 thousand pounds per week.

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

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

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

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

or

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

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

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

144.080. 1. Every person receiving any payment or consideration upon the sale of property or rendering of service, subject to the tax imposed ~~[by the provisions of sections 144.010 to 144.525]~~ **under this chapter**, is exercising the taxable privilege of selling the property or rendering the service at retail and is subject to the tax levied in section 144.020. The person shall be responsible not only for the collection of the amount of the tax imposed on the sale or service to the extent possible under the provisions of section 144.285, but shall, on or before the last day of the month following each calendar quarterly period of three months, **or on or before the last day of each calendar month if such person utilizes a certified service provider, as such term is defined in section 37.070, for filing purposes**, file a return with the director of revenue showing the person's gross receipts and the amount of tax levied in section 144.020 for the preceding quarter, and shall remit to the director of revenue, with the return, the taxes levied in section 144.020, except as provided in ~~[subsections]~~ **subsection 2 [and 3]** of this section. The director of revenue may promulgate rules or regulations changing the filing and payment requirements of sellers, but shall not require any seller to file and pay more frequently than required in this section.

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

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

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

~~[5.]~~ **4.** Any person may advertise or hold out or state to the public or to any customer directly that the tax or any part thereof imposed ~~[by sections 144.010 to 144.525]~~ **under this chapter**, and required to be collected by the person, will be assumed or absorbed by the person, provided that the amount of tax assumed or absorbed shall be stated on any invoice or receipt for the property sold or service rendered. Any person violating any of the provisions of this section

37 shall be guilty of a misdemeanor. This subsection shall not apply to any retailer prohibited from
38 collecting and remitting sales tax under section 66.630.

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

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

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

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

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

4 (2) This subsection shall apply only if:

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

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

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

**12 (3) If the sale is sourced under this section to the location where the order is
13 received by the seller, only the sales or use tax for the location where the order is received
14 by the seller may be levied. No additional sales or use tax based on the location where the
15 product is delivered to the purchaser shall be levied on that sale. The purchaser shall not
16 be entitled to any refund if the combined state and local rate or rates at the location where
17 the product is received by the purchaser is lower than the rate where the order is received
18 by the seller.**

**19 (4) A purchaser shall have no additional liability to the state for tax, penalty, or
20 interest on a sale for which the purchaser remits tax to the seller in the amount invoiced
21 by the seller if such invoice amount is calculated at either the rate applicable to the location**

22 where receipt by the purchaser occurs or at the rate applicable to the location where the
23 order is received by the seller. A purchaser may rely on a written representation by the
24 seller as to the location where the order for such sale was received by the seller. If the
25 purchaser does not have a written representation by the seller as to the location where the
26 order for such sale was received by the seller, the purchaser may use a location indicated
27 by a business address for the seller that is available from the business records of the
28 purchaser that are maintained in the ordinary course of the purchaser's business to
29 determine the rate applicable to the location where the order was received.

30 (5) The term "the location where the order is received by or on behalf of the seller"
31 means the physical location of a seller or third party such as an established outlet, office
32 location, or automated order receipt system operated by or on behalf of the seller where
33 an order is initially received by or on behalf of the seller and not where the order may be
34 subsequently accepted, completed, or fulfilled. An order is "received" when all of the
35 information from the purchaser necessary to determine whether the order can be accepted
36 has been received by or on behalf of the seller. The location from which a product is
37 shipped shall not be used in determining the location where the order is received by the
38 seller.

39 (6) If taxable services are sold with tangible personal property or digital products
40 under a single contract or in the same transaction, are billed on the same billing statement
41 or statements, and, because of the application of this section, would be sourced to different
42 jurisdictions, this subsection shall apply to determine the source for tax.

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

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

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

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

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

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

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

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

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

82 (2) For a lease or rental that does not require recurring periodic payments, the
83 payment is sourced the same as a retail sale in accordance with the provisions of subsection
84 2 of this section; and

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

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

90 (1) For a lease or rental that requires recurring periodic payments, each periodic
91 payment is sourced to the primary property location. The primary property location shall
92 be as indicated by an address for the property provided by the lessee that is available to

93 the lessor from its records maintained in the ordinary course of business if use of such
94 address does not constitute bad faith. Such location shall not be altered by intermittent use
95 at different locations;

96 (2) For a lease or rental that does not require recurring periodic payments, the
97 payment is sourced the same as a retail sale in accordance with the provisions of subsection
98 1 of this section; and

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

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

144.112. 1. The retail sale of a product shall be sourced in accordance with section
2 144.111. The provisions of section 144.111 shall apply regardless of the characterization
3 of a product as tangible personal property, a digital good, or a service. The provisions of
4 section 144.111 shall apply only to determine a seller's obligation to pay or collect and
5 remit sales or use tax with respect to the seller's retail sale of a product. The provisions of
6 this subsection shall not affect the obligation of a purchaser or lessee to remit tax on the
7 use of the product to the taxing jurisdictions of that use.

8 2. The provisions of section 144.111 shall not apply to sales or use taxes levied on
9 the following:

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

12 (2) Telecommunications services and ancillary services.

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

3 (a) A direct-pay permit;

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

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

8 (2) If the purchaser provides the permit, certificate, or statement referred to in
9 paragraph (a) or (b) of subdivision (1) of subsection 1 of this section, the seller, in the
10 absence of bad faith, is relieved of all obligations to collect, pay, or remit any tax on any
11 transaction involving advertising and promotional direct mail to which the permit,
12 certificate, or statement applies. The purchaser shall source the sale to the jurisdictions

13 to which the advertising and promotional direct mail is to be delivered to the recipients and
14 shall report and pay any applicable tax due.

15 (3) If the purchaser provides the seller information showing the jurisdictions to
16 which the advertising and promotional direct mail is to be delivered to recipients, the seller
17 shall source the sale to the jurisdictions to which the advertising and promotional direct
18 mail is to be delivered and shall collect and remit the applicable tax. In the absence of bad
19 faith, the seller is relieved of any further obligation to collect any additional tax on the sale
20 of advertising and promotional direct mail if the seller has sourced the sale according to
21 the delivery information provided by the purchaser.

22 (4) If the purchaser does not provide the seller with any of the items listed in
23 paragraphs (a) to (c) of subdivision (1) of subsection 1 of this section, the sale shall be
24 sourced according to subdivision (5) of subsection 2 of section 144.111. The state to which
25 the advertising and promotional direct mail is delivered may disallow credit for tax paid
26 on sales sourced under this subdivision.

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

29 2. (1) Except as otherwise provided in this subsection, sales of other direct mail
30 shall be sourced in accordance with subdivision (3) of subsection 2 of section 144.111.

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

32 (a) A direct-pay permit; or

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

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

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

44 3. (1) (a) This section shall apply to a transaction characterized under state law
45 as the sale of services only if the service is an integral part of the production and
46 distribution of printed material that meets the definition of direct mail.

47 (b) This section shall not apply to any transaction that includes the development
48 of billing information or the provision of any data processing service that is more than

49 incidental, regardless of whether advertising and promotional direct mail is included in the
50 same mailing.

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

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

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

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

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

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

144.114. 1. Except for the defined telecommunications services under subsection
2 3 of this section, the sale of telecommunications service sold on a call-by-call basis shall be
3 sourced to:

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

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

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

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

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

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

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

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

21 **(3) A sale of prepaid calling service or a sale of a prepaid wireless calling service**
22 **is sourced in accordance with section 144.111; provided, however, in the case of a sale of**
23 **prepaid wireless calling service, the rule provided in subdivision (5) of subsection 2 of**
24 **section 144.111 shall include as an option the location associated with the mobile telephone**
25 **number; and**

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

27 **(a) Service for a separate charge related to a customer channel termination point**
28 **is sourced to each level of jurisdiction where such customer channel termination point is**
29 **located;**

30 **(b) Service where all customer termination points are located entirely within one**
31 **jurisdiction or level of jurisdiction is sourced to such jurisdiction where the customer**
32 **channel termination points are located;**

33 **(c) Service for segments of a channel between two customer channel termination**
34 **points located in different jurisdictions and for which segments of a channel are separately**
35 **charged is sourced fifty percent to each level of jurisdiction where the customer channel**
36 **termination points are located; and**

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

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

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

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

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

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

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

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

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

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

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

13 3. Every claim for refund must be in writing and signed by the applicant, and must state
14 the specific grounds upon which the claim is founded. Any refund or any portion thereof which
15 is erroneously made, and any credit or any portion thereof which is erroneously allowed, may be
16 recovered in any action brought by the director of revenue against the person legally obligated
17 to remit the tax. In the event that a tax has been illegally imposed against a person legally
18 obligated to remit the tax, the director of revenue shall authorize the cancellation of the tax upon
19 the director's record.

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

26 (1) A notarized assignment of rights statement by the vendor or seller to the purchaser
27 allowing the purchaser to seek the refund on behalf of the vendor or seller. An assignment of
28 rights statement shall contain the Missouri sales or use tax registration number of the vendor or
29 seller, a list of the transactions covered by the assignment, the tax periods and location for which
30 the original sale was reported to the director of revenue by the vendor or seller, and a notarized

31 statement signed by the vendor or seller affirming that the vendor or seller has not received a
32 refund or credit, will not apply for a refund or credit of the tax collected on any transactions
33 covered by the assignment, and authorizes the director to amend the seller's return to reflect the
34 refund; or

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

43

44 The director shall not require such vendor, seller, or purchaser to submit amended returns for
45 refund claims submitted under the provisions of this subsection. Notwithstanding the provisions
46 of section 32.057, if the seller is registered with the director for collection and remittance of sales
47 tax, the director shall notify the seller at the seller's last known address of the claim for refund.
48 If the seller objects to the refund within thirty days of the date of the notice, the director shall not
49 pay the refund. If the seller agrees that the refund is warranted or fails to respond within thirty
50 days, the director may issue the refund and amend the seller's return to reflect the refund. For
51 purposes of section 32.069, the refund claim shall not be considered to have been filed until the
52 seller agrees that the refund is warranted or thirty days after the date the director notified the
53 seller and the seller failed to respond.

54 5. Notwithstanding the provisions of section 32.057, when a vendor files a refund claim
55 on behalf of a purchaser and such refund claim is denied by the director, notice of such denial
56 and the reason for the denial shall be sent by the director to the vendor and each purchaser whose
57 name and address is submitted with the refund claim form filed by the vendor. A purchaser shall
58 be entitled to appeal the denial of the refund claim within sixty days of the date such notice of
59 denial is mailed by the director as provided in section 144.261. The provisions of this subsection
60 shall apply to all refund claims filed after August 28, 2012. The provisions of this subsection
61 allowing a purchaser to appeal the director's decision to deny a refund claim shall also apply to
62 any refund claim denied by the director on or after January 1, 2007, if an appeal of the denial of
63 the refund claim is filed by the purchaser no later than September 28, 2012, and if such claim is
64 based solely on the issue of the exemption of the electronic transmission or delivery of computer
65 software.

66 6. Notwithstanding the provisions of this section, the director of revenue shall authorize
67 direct-pay agreements to purchasers which have annual purchases in excess of seven hundred
68 fifty thousand dollars pursuant to rules and regulations adopted by the director of revenue. For
69 the purposes of such direct-pay agreements, the taxes authorized under chapters 66, 67, 70, 92,
70 94, 162, 190, 238, 321, and 644 shall be remitted based upon the location of the place of business
71 of the purchaser.

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

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

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

86 (3) Within sixty days of receiving the customer's notice, the home service provider shall
87 review its records and the electronic database or enhanced zip code to determine the customer's
88 correct taxing jurisdiction. If the home service provider determines that the review shows that
89 the amount of tax, assignment of place of primary use or taxing jurisdiction is in error, the home
90 service provider shall correct the error and, at its election, either refund or credit the amount of
91 tax erroneously collected to the customer for a period of up to three years from the last day of
92 the home service provider's sixty-day review period. If the home service provider determines
93 that the review shows that the amount of tax, the assignment of place of primary use or the taxing
94 jurisdiction is correct, the home service provider shall provide a written explanation of its
95 determination to the customer.

96 8. For all refund claims submitted to the department of revenue on or after September
97 1, 2003, notwithstanding any provision of this section to the contrary, if a person legally
98 obligated to remit the tax levied under chapter 144 has received a refund of such taxes for a
99 specific issue and submits a subsequent claim for refund of such taxes on the same issue for a
100 tax period beginning on or after the date the original refund check issued to such person, no
101 refund shall be allowed. This subsection shall not apply and a refund shall be allowed if the

102 refund claim is filed by a purchaser under the provisions of subsection 4 of this section, the
103 refund claim is for use tax remitted by the purchaser, or an additional refund claim is filed by a
104 person legally obligated to remit the tax due to any of the following:

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

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

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

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

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

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

2 **144.212. 1. In addition to all other provisions of law provided for exemptions, if an**
3 **exemption is claimed by a purchaser:**

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

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

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

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

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

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

19 2. (1) Sellers that comply with the requirements of this section shall be relieved
20 from collecting and remitting tax otherwise applicable if it is determined that the
21 purchaser improperly claimed an exemption, and such purchaser shall be liable for the
22 nonpayment of tax. Relief from liability provided under this section shall not apply to a
23 seller who fraudulently fails to collect tax; to a seller who solicits purchasers to participate
24 in the unlawful claim of an exemption; to a seller who accepts an exemption certificate, if
25 the purchaser claims an entity-based exemption if the subject of the transaction sought to
26 be covered by the exemption certificate is actually received by the purchaser at a location
27 operated by the seller and the state in which that location resides provides an exemption
28 certificate that clearly and affirmatively indicates that the claimed exemption is not
29 available in such state; or to a seller who accepts an exemption certificate claiming multiple
30 points of use for tangible personal property other than computer software for which an
31 exemption claiming multiple points of use is not permitted.

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

35 (3) If a seller fails to obtain an exemption certificate or all relevant data elements
36 as provided in this subsection, the seller may, within one hundred twenty days after a
37 request for substantiation by the director of revenue or the director's designee, either prove
38 that the transaction was not subject to tax by other means or obtain a fully completed
39 exemption certificate from the purchaser, taken in good faith.

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

43 **4. Notwithstanding the provisions of subsection 2 of this section to the contrary, the**
44 **director shall relieve a seller of the tax otherwise applicable if the seller obtains a blanket**
45 **exemption certificate for a purchaser with which the seller has a recurring business**
46 **relationship. The director shall not request from the seller renewal of blanket certificates**
47 **or updates of exemption certificate information or data elements if there is a recurring**
48 **business relationship between the purchaser and seller. For purposes of this section, a**
49 **recurring business relationship exists if a period of no more than twelve months elapses**
50 **between sales transactions.**

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

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

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

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

5 (2) **"Certified service provider" or "CSP", an agent certified by the streamlined**
6 **sales and use tax governing board to perform all of the seller's sales and use tax functions,**
7 **other than the seller's obligation to remit tax on its own purchases;**

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

9 (a) Maintaining or having a franchisee or licensee operating under the seller's trade name
10 in this state if the franchisee or licensee is required to collect sales tax pursuant to sections
11 144.010 to 144.525;

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

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

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

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

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

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

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

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

31 (e) Notwithstanding paragraph (c) **of this subdivision**, a vendor shall be presumed to
32 engage in business activities within this state if the vendor enters into an agreement with one or
33 more residents of this state under which the resident, for a commission or other consideration,
34 directly or indirectly refers potential customers, whether by a link on an internet website, an in-
35 person oral presentation, telemarketing, or otherwise, to the vendor, if the cumulative gross
36 receipts from sales by the vendor to customers in the state who are referred to the vendor by all
37 residents with this type of an agreement with the vendor is in excess of ten thousand dollars
38 during the preceding twelve months;

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

46 (g) **a. Beginning January 1, 2022, a vendor also engages in business activities**
47 **within this state if the cumulative gross receipts from the vendor's sales of tangible**
48 **personal property and digital goods and services to purchasers for the purpose of storage,**
49 **use, or consumption in this state equal or exceed one hundred thousand dollars in either**
50 **the current or previous calendar year as described under subparagraphs b. and c. of this**
51 **paragraph;**

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

58 **c. If the cumulative gross receipts from the vendor's sales of tangible personal**
59 **property and digital goods and services did not meet the requirements under**
60 **subparagraph a. of this paragraph for the previous calendar year, such vendor shall collect**
61 **and remit applicable use tax beginning on the first day of the first month that is at least**

62 **thirty days after the specific date during the current calendar year on which such vendor**
63 **first met the requirements under subparagraph a. of this paragraph for the current**
64 **calendar year, and such vendor shall continue to collect and remit such applicable use tax**
65 **for as long thereafter as the vendor is engaged in business activities in this state, as**
66 **provided under this paragraph, or otherwise maintains a substantial nexus with this state;**

67 ~~[(3)]~~ (4) "Maintains a place of business in this state" includes maintaining, occupying,
68 or using, permanently or temporarily, directly or indirectly, by whatever name called, an office,
69 place of distribution, sales or sample room or place, warehouse or storage place, or other place
70 of business in this state, whether owned or operated by the vendor or by any other person other
71 than a common carrier acting in its capacity as such;

72 ~~[(4)]~~ (5) "Person", any individual, firm, copartnership, joint venture, association,
73 corporation, municipal or private, and whether organized for profit or not, state, county, political
74 subdivision, state department, commission, board, bureau or agency, except the state
75 transportation department, estate, trust, business trust, receiver or trustee appointed by the state
76 or federal court, syndicate, or any other group or combination acting as a unit, and the plural as
77 well as the singular number;

78 ~~[(5)]~~ (6) "Purchase", the acquisition of the ownership of, or title to, tangible personal
79 property, through a sale, as defined herein, for the purpose of storage, use or consumption in this
80 state;

81 ~~[(6)]~~ (7) "Purchaser", any person who is the recipient for a valuable consideration of any
82 sale of tangible personal property acquired for use, storage or consumption in this state;

83 ~~[(7)]~~ (8) "Sale", any transfer, barter or exchange of the title or ownership of tangible
84 personal property, or the right to use, store or consume the same, for a consideration paid or to
85 be paid, and any transaction whether called leases, rentals, bailments, loans, conditional sales or
86 otherwise, and notwithstanding that the title or possession of the property or both is retained for
87 security. For the purpose of this law the place of delivery of the property to the purchaser, user,
88 storer or consumer is deemed to be the place of sale, whether the delivery be by the vendor or
89 by common carriers, private contractors, mails, express, agents, salesmen, solicitors, hawkers,
90 representatives, consignors, peddlers, canvassers or otherwise;

91 ~~[(8)]~~ (9) "Sales price", the consideration including the charges for services, except
92 charges incident to the extension of credit, paid or given, or contracted to be paid or given, by
93 the purchaser to the vendor for the tangible personal property, including any services that are a
94 part of the sale, valued in money, whether paid in money or otherwise, and any amount for which
95 credit is given to the purchaser by the vendor, without any deduction therefrom on account of the
96 cost of the property sold, the cost of materials used, labor or service cost, losses or any other
97 expenses whatsoever, except that cash discounts allowed and taken on sales shall not be included

98 and "sales price" shall not include the amount charged for property returned by customers upon
99 rescission of the contract of sales when the entire amount charged therefor is refunded either in
100 cash or credit or the amount charged for labor or services rendered in installing or applying the
101 property sold, the use, storage or consumption of which is taxable pursuant to sections 144.600
102 to 144.745. The sales price shall not include usual and customary delivery charges that are
103 separately stated. In determining the amount of tax due pursuant to sections 144.600 to 144.745,
104 any charge incident to the extension of credit shall be specifically exempted;

105 ~~[(9)]~~ (10) "Selling agent", every person acting as a representative of a principal, when
106 such principal is not registered with the director of revenue of the state of Missouri for the
107 collection of the taxes imposed pursuant to sections 144.010 to 144.525 or sections 144.600 to
108 144.745 and who receives compensation by reason of the sale of tangible personal property of
109 the principal, if such property is to be stored, used, or consumed in this state;

110 ~~[(10)]~~ (11) "Storage", any keeping or retention in this state of tangible personal property
111 purchased from a vendor, except property for sale or property that is temporarily kept or retained
112 in this state for subsequent use outside the state;

113 ~~[(11)]~~ (12) "Tangible personal property", all items subject to the Missouri sales tax as
114 provided in subdivisions (1) and (3) of subsection 1 of section 144.020;

115 ~~[(12)]~~ (13) "Taxpayer", any person remitting the tax or who should remit the tax levied
116 by sections 144.600 to 144.745;

117 ~~[(13)]~~ (14) "Use", the exercise of any right or power over tangible personal property
118 incident to the ownership or control of that property, except that it does not include the
119 temporary storage of property in this state for subsequent use outside the state, or the sale of the
120 property in the regular course of business;

121 ~~[(14)]~~ (15) "Vendor", every person engaged in making sales of tangible personal property
122 by mail order, by advertising, by agent or peddling tangible personal property, soliciting or taking
123 orders for sales of tangible personal property, for storage, use or consumption in this state, all
124 salesmen, solicitors, hawkers, representatives, consignees, peddlers or canvassers, as agents of
125 the dealers, distributors, consignors, supervisors, principals or employers under whom they
126 operate or from whom they obtain the tangible personal property sold by them, and every person
127 who maintains a place of business in this state, maintains a stock of goods in this state, or
128 engages in business activities within this state and every person who engages in this state in the
129 business of acting as a selling agent for persons not otherwise vendors as defined in this
130 subdivision. Irrespective of whether they are making sales on their own behalf or on behalf of
131 the dealers, distributors, consignors, supervisors, principals or employers, they must be regarded
132 as vendors and the dealers, distributors, consignors, supervisors, principals or employers must
133 be regarded as vendors for the purposes of sections 144.600 to 144.745.

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

2. For the identification of counties and cities, codes corresponding to the rates shall be provided according to Federal Information Processing Standards (FIPS) as developed by the National Institute of Standards and Technology. For the identification of all other jurisdictions, codes corresponding to the rates shall be in a format determined by the streamlined sales and use tax governing board.

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

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

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

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

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

6 3. A seller or CSP shall be relieved from liability to this state or any local taxing
7 jurisdiction for having charged and collected the incorrect amount of state or local sales
8 or use tax resulting from such seller's or CSP's reliance on:

9 (1) A certification by the department of revenue relating to the accuracy of the
10 CSP's rules and systems; or

11 (2) Erroneous data provided or approved by the director of revenue in the
12 taxability matrix.

13 4. A seller shall be relieved from liability for erroneous returns made by a CSP on
14 behalf of the seller.

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

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

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

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

10

11 A "marketplace facilitator" is a seller and shall comply with the provisions of this chapter.
12 A "marketplace facilitator" shall not include a person who provides internet advertising
13 services or product listing, who does not collect payment from the purchaser and transmit
14 payment to the marketplace seller, and who does not include a person with respect to the
15 provision of travel agency services or the operation of a marketplace or that portion of a
16 marketplace that enables consumers to receive travel agency services. For the purposes
17 of this subdivision, "travel agency services" means facilitating, for a commission, fee, or
18 other consideration, vacation or travel packages; rental car or other travel reservations;
19 tickets for domestic or foreign travel by air, rail, ship, bus, or other medium of
20 transportation; or hotel or other lodging accommodations;

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

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

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

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

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

37 2. (1) By no later than January 1, 2022, marketplace facilitators that reach the
38 threshold provided in paragraph (g) of subdivision (3) of section 144.605 shall register with
39 the department to collect and remit sales and use tax, as applicable, on sales made through
40 the marketplace facilitator's marketplace by or on behalf of a marketplace seller that are
41 purchased in or delivered into the state, whether by the marketplace facilitator or another
42 person, and regardless of whether the marketplace seller for whom sales are facilitated
43 possesses a retail sales license or would have been required to collect sales or use tax had
44 the sale not been facilitated by the marketplace facilitator. Such retail sales shall include
45 those made directly by the marketplace facilitator and shall also include those retail sales
46 made by marketplace sellers through the marketplace facilitator's marketplace. The
47 collection and reporting requirements of this subsection shall not apply to retail sales other
48 than those made through a marketplace facilitator's marketplace. Nothing in this section
49 shall be construed to limit or prohibit the ability of a marketplace facilitator and a
50 marketplace seller to enter into agreements regarding the fulfillment of the requirements
51 of this chapter.

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

56 3. Marketplace facilitators that are required to collect sales and use tax under this
57 section shall report and remit the tax separately from any sales and use tax collected by the
58 marketplace facilitator, or by affiliates of the marketplace facilitator, that the marketplace

59 facilitator would have been required to collect and remit under the provisions of this
60 chapter prior to January 1, 2022. Such tax shall be reported and remitted on a
61 marketplace facilitator return to be developed and published by the department.
62 Marketplace facilitators shall maintain records of all sales delivered to a location in the
63 state, including copies of invoices showing the purchaser, address, purchase amount, and
64 sales and use tax collected. Such records shall be made available for review and inspection
65 upon request by the department.

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

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

72 6. Any taxpayer who remits sales or use tax under this section shall be entitled to
73 refunds or credits to the same extent and in the same manner provided for in section
74 144.190 for taxes collected and remitted under this section. Nothing in this section shall
75 relieve a purchaser of the obligation to remit sales or use tax for any retail sale taxable
76 under this chapter for which a marketplace facilitator or marketplace seller does not
77 collect and remit the sales or use tax.

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

81 8. No class action shall be brought against a marketplace facilitator in any court
82 in this state on behalf of purchasers arising from or in any way related to an overpayment
83 of sales or use tax collected on retail sales facilitated by a marketplace facilitator,
84 regardless of whether that claim is characterized as a tax refund claim. Nothing in this
85 subsection shall affect a purchaser's right to seek a refund as provided under section
86 144.190.

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

93 **10. (1) A marketplace facilitator shall be relieved from liability under this section**
94 **for the failure to collect and remit the correct amount of sales or use tax on retail sales**
95 **facilitated for marketplace sellers under the following circumstances:**

96 **(a) To the extent that the marketplace facilitator demonstrates to the satisfaction**
97 **of the department that the error was due to insufficient or incorrect information given to**
98 **the marketplace facilitator by the marketplace seller; provided, however, that a**
99 **marketplace facilitator shall not be relieved of liability under this paragraph if the**
100 **marketplace facilitator and the marketplace seller are affiliated;**

101 **(b) To the extent that the marketplace facilitator demonstrates to the satisfaction**
102 **of the department that:**

103 **a. The marketplace facilitator is not the seller and that the marketplace facilitator**
104 **and marketplace seller are not affiliated;**

105 **b. The retail sale was facilitated for a marketplace seller through a marketplace**
106 **operated by the marketplace facilitator; and**

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

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

114 **(a) For retail sales made or facilitated during the 2022 calendar year, four percent;**

115 **(b) For retail sales made or facilitated during the 2023 calendar year, two percent;**

116 **(c) For retail sales made or facilitated during the 2024 calendar year, one percent;**

117 **and**

118 **(d) For retail sales made or facilitated for all years beginning on or after January**
119 **1, 2025, zero percent.**

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

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

127 **11. For the purposes of this section, a marketplace facilitator shall not include a**
128 **third-party financial institution appointed by a merchant or a marketplace facilitator to**

129 **handle various forms of payment transactions, such as processing credit cards and debit**
 130 **cards, and whose sole activity with respect to marketplace sales is to facilitate the payment**
 131 **transactions between two parties.**

144.757. 1. Any county or municipality, except municipalities within a county having
 2 a charter form of government with a population in excess of nine hundred thousand, may, by a
 3 majority vote of its governing body, impose a local use tax if a local sales tax is imposed as
 4 defined in section 32.085 at a rate equal to the rate of the local sales tax in effect in such county
 5 or municipality; provided, however, that no ordinance or order enacted pursuant to sections
 6 144.757 to 144.761 shall be effective unless the governing body of the county or municipality
 7 submits to the voters thereof at a municipal, county or state general, primary or special election
 8 a proposal to authorize the governing body of the county or municipality to impose a local use
 9 tax pursuant to sections 144.757 to 144.761. Municipalities within a county having a charter
 10 form of government with a population in excess of nine hundred thousand may, upon voter
 11 approval received pursuant to paragraph (b) of subdivision (2) of subsection 2 of this section,
 12 impose a local use tax at the same rate as the local municipal sales tax with the revenues from
 13 all such municipal use taxes to be distributed pursuant to subsection 4 of section 94.890. The
 14 municipality shall within thirty days of the approval of the use tax imposed pursuant to paragraph
 15 (b) of subdivision (2) of subsection 2 of this section select one of the distribution options
 16 permitted in subsection 4 of section 94.890 for distribution of all municipal use taxes.

17 2. (1) The ballot of submission, except for counties and municipalities described in
 18 subdivisions (2) and (3) of this subsection, shall contain substantially the following language:

19 Shall the _____ (county or municipality's name) impose a local use tax at the
 20 same rate as the total local sales tax rate, [~~currently _____ (insert percent),~~
 21 provided that if the local sales tax rate is reduced or raised by voter approval, the
 22 local use tax rate shall also be reduced or raised by the same action? ~~[A use tax~~
 23 ~~return shall not be required to be filed by persons whose purchases from~~
 24 ~~out-of-state vendors do not in total exceed two thousand dollars in any calendar~~
 25 ~~year.]~~ **Approval of this question will eliminate the disparity in tax rates**
 26 **collected by local and out-of-state sellers by imposing the same rate on all**
 27 **sellers.**

28 YES NO

29 If you are in favor of the question, place an "X" in the box opposite "YES". If
 30 you are opposed to the question, place an "X" in the box opposite "NO".

31 (2) (a) The ballot of submission in a county having a charter form of government with
 32 a population in excess of nine hundred thousand shall contain substantially the following
 33 language:

34 For the purposes of enhancing county and municipal public safety, parks, and job
 35 creation and enhancing local government services, shall the county be authorized
 36 to collect a local use tax equal to the total of the existing county sales tax rate ~~of~~
 37 ~~(insert tax rate)~~, provided that if the county sales tax is repealed, reduced or
 38 raised by voter approval, the local use tax rate shall also be repealed, reduced or
 39 raised by the same voter action? Fifty percent of the revenue shall be used by the
 40 county throughout the county for improving and enhancing public safety, park
 41 improvements, and job creation, and fifty percent shall be used for enhancing
 42 local government services. The county shall be required to make available to the
 43 public an audited comprehensive financial report detailing the management and
 44 use of the countywide portion of the funds each year.

45 A use tax is the equivalent of a sales tax on purchases from out-of-state sellers
 46 by in-state buyers and on certain taxable business transactions. ~~[A use tax return~~
 47 ~~shall not be required to be filed by persons whose purchases from out-of-state~~
 48 ~~vendors do not in total exceed two thousand dollars in any calendar year.]~~

49 **Approval of this question will eliminate the disparity in tax rates collected**
 50 **by local and out-of-state sellers by imposing the same rate on all sellers.**

51 YES NO

52 If you are in favor of the question, place an "X" in the box opposite "YES". If you
 53 are opposed to the question, place an "X" in the box opposite "NO".

54 (b) The ballot of submission in a municipality within a county having a charter form of
 55 government with a population in excess of nine hundred thousand shall contain substantially the
 56 following language:

57 Shall the municipality be authorized to impose a local use tax at the same rate as
 58 the local sales tax by a vote of the governing body, provided that if any local sales
 59 tax is repealed, reduced or raised by voter approval, the respective local use tax
 60 shall also be repealed, reduced or raised by the same action? ~~[A use tax return~~
 61 ~~shall not be required to be filed by persons whose purchases from out-of-state~~
 62 ~~vendors do not in total exceed two thousand dollars in any calendar year.]~~

63 **Approval of this question will eliminate the disparity in tax rates collected**
 64 **by local and out-of-state sellers by imposing the same rate on all sellers.**

65 YES NO

66 If you are in favor of the question, place an "X" in the box opposite "YES". If you
 67 are opposed to the question, place an "X" in the box opposite "NO".

68 (3) The ballot of submission in any city not within a county shall contain substantially
 69 the following language:

70 Shall the _____ (city name) impose a local use tax at the same rate as the local
 71 sales tax, [~~currently at a rate of _____ (insert percent)~~] which includes the
 72 capital improvements sales tax and the transportation tax, provided that if any
 73 local sales tax is repealed, reduced or raised by voter approval, the respective
 74 local use tax shall also be repealed, reduced or raised by the same action? [~~A use
 75 tax return shall not be required to be filed by persons whose purchases from
 76 out-of-state vendors do not in total exceed two thousand dollars in any calendar
 77 year.~~] **Approval of this question will eliminate the disparity in tax rates
 78 collected by local and out-of-state sellers by imposing the same rate on all
 79 sellers.**

80 YES NO

81 If you are in favor of the question, place an "X" in the box opposite "YES". If you
 82 are opposed to the question, place an "X" in the box opposite "NO".

83 (4) If any of such ballots are submitted on August 6, 1996, and if a majority of the votes
 84 cast on the proposal by the qualified voters voting thereon are in favor of the proposal, then the
 85 ordinance or order and any amendments thereto shall be in effect October 1, 1996, provided the
 86 director of revenue receives notice of adoption of the local use tax on or before August 16, 1996.
 87 If any of such ballots are submitted after December 31, 1996, and if a majority of the votes cast
 88 on the proposal by the qualified voters voting thereon are in favor of the proposal, then the
 89 ordinance or order and any amendments thereto shall be in effect on the first day of the calendar
 90 quarter which begins at least forty-five days after the director of revenue receives notice of
 91 adoption of the local use tax. If a majority of the votes cast by the qualified voters voting are
 92 opposed to the proposal, then the governing body of the county or municipality shall have no
 93 power to impose the local use tax as herein authorized unless and until the governing body of the
 94 county or municipality shall again have submitted another proposal to authorize the governing
 95 body of the county or municipality to impose the local use tax and such proposal is approved by
 96 a majority of the qualified voters voting thereon.

97 3. The local use tax may be imposed at the same rate as the local sales tax then currently
 98 in effect in the county or municipality upon all transactions which are subject to the taxes
 99 imposed pursuant to sections 144.600 to 144.745 within the county or municipality adopting
 100 such tax; provided, however, that if any local sales tax is repealed or the rate thereof is reduced
 101 or raised by voter approval, the local use tax rate shall also be deemed to be repealed, reduced
 102 or raised by the same action repealing, reducing or raising the local sales tax.

103 4. For purposes of sections 144.757 to 144.761, the use tax may be referred to or
 104 described as the equivalent of a sales tax on purchases made from out-of-state sellers by in-state

105 buyers and on certain intrabusiness transactions. Such a description shall not change the
 106 classification, form or subject of the use tax or the manner in which it is collected.

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

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

- ~~(1) "Agreement", the streamlined sales and use tax agreement;~~
- ~~(2) "Certified automated system", software certified jointly by the states that are signatories to the agreement to calculate the tax imposed by each jurisdiction on a transaction, determine the amount of tax to remit to the appropriate state and maintain a record of the transaction;~~
- ~~(3) "Certified service provider", an agent certified jointly by the states that are signatories to the agreement to perform all of the seller's sales tax functions;~~
- ~~(4) "Person", an individual, trust, estate, fiduciary, partnership, limited liability company, limited liability partnership, corporation or any other legal entity;~~
- ~~(5) "Sales tax", any sales tax levied pursuant to this chapter, section 32.085, or any other sales tax authorized by statute and levied by this state or its political subdivisions;~~
- ~~(6) "Seller", any person making sales, leases or rentals of personal property or services;~~
- ~~(7) "State", any state of the United States and the District of Columbia;~~
- ~~(8) "Use tax", the use tax levied pursuant to this chapter.]~~

~~[144.1006. For the purposes of reviewing and, if necessary, amending the agreement embodying the simplification recommendations contained in section 144.1015, the state may enter into multistate discussions. For purposes of such discussions, the state shall be represented by seven delegates, one of whom shall be appointed by the governor, two members appointed by the speaker of the house of representatives, one member appointed by the minority leader of the house of representatives, two members appointed by the president pro tempore of the senate and one member appointed by the minority leader of the senate. The delegates need not be members of the general assembly and at least one of the delegates appointed by the speaker of the house of representatives and one member appointed by the president pro tempore of the senate shall be from the private sector and represent the interests of Missouri businesses. The delegates shall recommend to the committees responsible for reviewing tax issues in the senate and the house of representatives each year any amendment of state statutes required to be substantially in compliance with the agreement. Such delegates shall make a written report by the fifteenth day of January each year regarding the status of the multistate discussions and upon final adoption of the terms of the sales and use tax agreement by the multistate body.]~~

19

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

10

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

2

~~(1) Requires adoption of a definition of any term that would cause any item or transaction that is now excluded or exempted from sales or use tax to become subject to sales or use tax;~~

3

4

5

6

~~(2) Requires the state of Missouri to fully exempt or fully apply sales taxes to the sale of food or any other item;~~

7

8

~~(3) Restricts the ability of local governments under statutes in effect on August 28, 2002, to enact one or more local taxes on one or more items without application of the tax to all sales within the taxing jurisdiction, however, restriction of any such taxes allowed by statutes effective after August 28, 2002, may be supported;~~

9

10

11

12

~~(4) Provides for adoption of any uniform rate structure that would result in a tax increase for any Missouri taxpayer;~~

13

14

~~(5) Affects the sourcing of sales tax transactions; or~~

15

16

~~(6) Prohibits limitations or thresholds on the application of sales and use tax rates or prohibits any current sales or use tax exemption in the state of Missouri, including exemptions that are based on the value of the transaction or item.]~~

17

18

19

20

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

2

3

~~(1) The agreement should address the limitation of the number of state rates over time;~~

4

5

~~(2) The agreement should establish uniform standards for administration of exempt sales and the form used for filing sales and use tax returns and remittances;~~

6

7

8

~~(3) The agreement should require the state to provide a central, electronic registration system that allows a seller to register to collect and remit sales and use taxes for all signatory states;~~

9

10

11

- 12 ~~_____ (4) The agreement should provide that registration with the central~~
- 13 ~~registration system and the collection of sales and use taxes in the signatory states~~
- 14 ~~will not be used as a factor in determining whether the seller has nexus with a~~
- 15 ~~state for any tax;~~
- 16 ~~_____ (5) The agreement should provide for reduction of the burdens of~~
- 17 ~~complying with local sales and use taxes through the following so long as they~~
- 18 ~~do not conflict with the provisions of section 144.1012:~~
- 19 ~~_____ (a) Restricting variances between the state and local tax bases;~~
- 20 ~~_____ (b) Requiring states to administer any sales and use taxes levied by local~~
- 21 ~~jurisdictions within the state so that sellers collecting and remitting these taxes~~
- 22 ~~will not have to register or file returns with, remit funds to, or be subject to~~
- 23 ~~independent audits from local taxing jurisdictions;~~
- 24 ~~_____ (c) Restricting the frequency of changes in the local sales and use tax~~
- 25 ~~rates and setting effective dates for the application of local jurisdictional~~
- 26 ~~boundary changes to local sales and use taxes; and~~
- 27 ~~_____ (d) Providing notice of changes in local sales and use tax rates and of~~
- 28 ~~changes in the boundaries of local taxing jurisdictions;~~
- 29 ~~_____ (6) The agreement should outline any monetary allowances that are to be~~
- 30 ~~provided by the states to sellers or certified service providers. The agreement~~
- 31 ~~must allow for a joint public and private sector study of the compliance cost on~~
- 32 ~~sellers and certified service providers to collect sales and use taxes for state and~~
- 33 ~~local governments under various levels of complexity to be completed by July 1,~~
- 34 ~~2003;~~
- 35 ~~_____ (7) The agreement should require each state to certify compliance with~~
- 36 ~~the terms of the agreement prior to joining and to maintain compliance, under the~~
- 37 ~~laws of the member state, with all provisions of the agreement while a member;~~
- 38 ~~only if the agreement and any amendment thereto complies with the provisions~~
- 39 ~~of section 144.1012;~~
- 40 ~~_____ (8) The agreement should require each state to adopt a uniform policy for~~
- 41 ~~certified service providers that protects the privacy of consumers and maintains~~
- 42 ~~the confidentiality of tax information; and~~
- 43 ~~_____ (9) The agreement should provide for the appointment of an advisory~~
- 44 ~~council of private sector representatives and an advisory council of nonmember~~
- 45 ~~state representatives to consult with in the administration of the agreement.]~~
- 46

Section B. The provisions of section A of this act shall become effective on January 1,
2 2022.

