

SENATE AMENDMENT NO. _____

Offered by _____ of _____

Amend SS/SCS/Senate Bill No. 756, Page 1, Section 34.045, Line 16,

2 by inserting after all of said line the following:

3 "144.030. 1. There is hereby specifically exempted
4 from the provisions of sections 144.010 to 144.525 and from
5 the computation of the tax levied, assessed or payable
6 pursuant to sections 144.010 to 144.525 such retail sales as
7 may be made in commerce between this state and any other
8 state of the United States, or between this state and any
9 foreign country, and any retail sale which the state of
10 Missouri is prohibited from taxing pursuant to the
11 Constitution or laws of the United States of America, and
12 such retail sales of tangible personal property which the
13 general assembly of the state of Missouri is prohibited from
14 taxing or further taxing by the constitution of this state.

15 2. There are also specifically exempted from the
16 provisions of the local sales tax law as defined in section
17 32.085, section 238.235, and sections 144.010 to 144.525 and
18 144.600 to 144.761 and from the computation of the tax
19 levied, assessed or payable pursuant to the local sales tax
20 law as defined in section 32.085, section 238.235, and
21 sections 144.010 to 144.525 and 144.600 to 144.745:

22 (1) Motor fuel or special fuel subject to an excise
23 tax of this state, unless all or part of such excise tax is
24 refunded pursuant to section 142.824; or upon the sale at
25 retail of fuel to be consumed in manufacturing or creating
26 gas, power, steam, electrical current or in furnishing water

27 to be sold ultimately at retail; or feed for livestock or
28 poultry; or grain to be converted into foodstuffs which are
29 to be sold ultimately in processed form at retail; or seed,
30 limestone or fertilizer which is to be used for seeding,
31 liming or fertilizing crops which when harvested will be
32 sold at retail or will be fed to livestock or poultry to be
33 sold ultimately in processed form at retail; economic
34 poisons registered pursuant to the provisions of the
35 Missouri pesticide registration law, sections 281.220 to
36 281.310, which are to be used in connection with the growth
37 or production of crops, fruit trees or orchards applied
38 before, during, or after planting, the crop of which when
39 harvested will be sold at retail or will be converted into
40 foodstuffs which are to be sold ultimately in processed form
41 at retail;

42 (2) Materials, manufactured goods, machinery and parts
43 which when used in manufacturing, processing, compounding,
44 mining, producing or fabricating become a component part or
45 ingredient of the new personal property resulting from such
46 manufacturing, processing, compounding, mining, producing or
47 fabricating and which new personal property is intended to
48 be sold ultimately for final use or consumption; and
49 materials, including without limitation, gases and
50 manufactured goods, including without limitation slagging
51 materials and firebrick, which are ultimately consumed in
52 the manufacturing process by blending, reacting or
53 interacting with or by becoming, in whole or in part,
54 component parts or ingredients of steel products intended to
55 be sold ultimately for final use or consumption;

56 (3) Materials, replacement parts and equipment
57 purchased for use directly upon, and for the repair and
58 maintenance or manufacture of, motor vehicles, watercraft,

59 railroad rolling stock or aircraft engaged as common
60 carriers of persons or property;

61 (4) Replacement machinery, equipment, and parts and
62 the materials and supplies solely required for the
63 installation or construction of such replacement machinery,
64 equipment, and parts, used directly in manufacturing,
65 mining, fabricating or producing a product which is intended
66 to be sold ultimately for final use or consumption; and
67 machinery and equipment, and the materials and supplies
68 required solely for the operation, installation or
69 construction of such machinery and equipment, purchased and
70 used to establish new, or to replace or expand existing,
71 material recovery processing plants in this state. For the
72 purposes of this subdivision, a "material recovery
73 processing plant" means a facility that has as its primary
74 purpose the recovery of materials into a usable product or a
75 different form which is used in producing a new product and
76 shall include a facility or equipment which are used
77 exclusively for the collection of recovered materials for
78 delivery to a material recovery processing plant but shall
79 not include motor vehicles used on highways. For purposes
80 of this section, the terms motor vehicle and highway shall
81 have the same meaning pursuant to section 301.010. For the
82 purposes of this subdivision, subdivision (5) of this
83 subsection, and section 144.054, as well as the definition
84 in subdivision (9) of subsection 1 of section 144.010, the
85 term "product" includes telecommunications services and the
86 term "manufacturing" shall include the production, or
87 production and transmission, of telecommunications
88 services. The preceding sentence does not make a
89 substantive change in the law and is intended to clarify
90 that the term "manufacturing" has included and continues to
91 include the production and transmission of

92 "telecommunications services", as enacted in this
93 subdivision and subdivision (5) of this subsection, as well
94 as the definition in subdivision (9) of subsection 1 of
95 section 144.010. The preceding two sentences reaffirm
96 legislative intent consistent with the interpretation of
97 this subdivision and subdivision (5) of this subsection in
98 *Southwestern Bell Tel. Co. v. Director of Revenue*, 78 S.W.3d
99 763 (Mo. banc 2002) and *Southwestern Bell Tel. Co. v.*
100 *Director of Revenue*, 182 S.W.3d 226 (Mo. banc 2005), and
101 accordingly abrogates the Missouri supreme court's
102 interpretation of those exemptions in *IBM Corporation v.*
103 *Director of Revenue*, 491 S.W.3d 535 (Mo. banc 2016) to the
104 extent inconsistent with this section and *Southwestern Bell*
105 *Tel. Co. v. Director of Revenue*, 78 S.W.3d 763 (Mo. banc
106 2002) and *Southwestern Bell Tel. Co. v. Director of Revenue*,
107 182 S.W.3d 226 (Mo. banc 2005). The construction and
108 application of this subdivision as expressed by the Missouri
109 supreme court in *DST Systems, Inc. v. Director of Revenue*,
110 43 S.W.3d 799 (Mo. banc 2001); *Southwestern Bell Tel. Co. v.*
111 *Director of Revenue*, 78 S.W.3d 763 (Mo. banc 2002); and
112 *Southwestern Bell Tel. Co. v. Director of Revenue*, 182
113 S.W.3d 226 (Mo. banc 2005), is hereby affirmed. Material
114 recovery is not the reuse of materials within a
115 manufacturing process or the use of a product previously
116 recovered. The material recovery processing plant shall
117 qualify under the provisions of this section regardless of
118 ownership of the material being recovered;

119 (5) Machinery and equipment, and parts and the
120 materials and supplies solely required for the installation
121 or construction of such machinery and equipment, purchased
122 and used to establish new or to expand existing
123 manufacturing, mining or fabricating plants in the state if
124 such machinery and equipment is used directly in

125 manufacturing, mining or fabricating a product which is
126 intended to be sold ultimately for final use or
127 consumption. The construction and application of this
128 subdivision as expressed by the Missouri supreme court in
129 *DST Systems, Inc. v. Director of Revenue*, 43 S.W.3d 799 (Mo.
130 banc 2001); *Southwestern Bell Tel. Co. v. Director of*
131 *Revenue*, 78 S.W.3d 763 (Mo. banc 2002); and *Southwestern*
132 *Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d 226 (Mo.
133 banc 2005), is hereby affirmed;

134 (6) Tangible personal property which is used
135 exclusively in the manufacturing, processing, modification
136 or assembling of products sold to the United States
137 government or to any agency of the United States government;

138 (7) Animals or poultry used for breeding or feeding
139 purposes, or captive wildlife;

140 (8) Newsprint, ink, computers, photosensitive paper
141 and film, toner, printing plates and other machinery,
142 equipment, replacement parts and supplies used in producing
143 newspapers published for dissemination of news to the
144 general public;

145 (9) The rentals of films, records or any type of sound
146 or picture transcriptions for public commercial display;

147 (10) Pumping machinery and equipment used to propel
148 products delivered by pipelines engaged as common carriers;

149 (11) Railroad rolling stock for use in transporting
150 persons or property in interstate commerce and motor
151 vehicles licensed for a gross weight of twenty-four thousand
152 pounds or more or trailers used by common carriers, as
153 defined in section 390.020, in the transportation of persons
154 or property;

155 (12) Electrical energy used in the actual primary
156 manufacture, processing, compounding, mining or producing of
157 a product, or electrical energy used in the actual secondary

158 processing or fabricating of the product, or a material
159 recovery processing plant as defined in subdivision (4) of
160 this subsection, in facilities owned or leased by the
161 taxpayer, if the total cost of electrical energy so used
162 exceeds ten percent of the total cost of production, either
163 primary or secondary, exclusive of the cost of electrical
164 energy so used or if the raw materials used in such
165 processing contain at least twenty-five percent recovered
166 materials as defined in section 260.200. There shall be a
167 rebuttable presumption that the raw materials used in the
168 primary manufacture of automobiles contain at least twenty-
169 five percent recovered materials. For purposes of this
170 subdivision, "processing" means any mode of treatment, act
171 or series of acts performed upon materials to transform and
172 reduce them to a different state or thing, including
173 treatment necessary to maintain or preserve such processing
174 by the producer at the production facility;

175 (13) Anodes which are used or consumed in
176 manufacturing, processing, compounding, mining, producing or
177 fabricating and which have a useful life of less than one
178 year;

179 (14) Machinery, equipment, appliances and devices
180 purchased or leased and used solely for the purpose of
181 preventing, abating or monitoring air pollution, and
182 materials and supplies solely required for the installation,
183 construction or reconstruction of such machinery, equipment,
184 appliances and devices;

185 (15) Machinery, equipment, appliances and devices
186 purchased or leased and used solely for the purpose of
187 preventing, abating or monitoring water pollution, and
188 materials and supplies solely required for the installation,
189 construction or reconstruction of such machinery, equipment,
190 appliances and devices;

191 (16) Tangible personal property purchased by a rural
192 water district;

193 (17) All amounts paid or charged for admission or
194 participation or other fees paid by or other charges to
195 individuals in or for any place of amusement, entertainment
196 or recreation, games or athletic events, including museums,
197 fairs, zoos and planetariums, owned or operated by a
198 municipality or other political subdivision where all the
199 proceeds derived therefrom benefit the municipality or other
200 political subdivision and do not inure to any private
201 person, firm, or corporation, provided, however, that a
202 municipality or other political subdivision may enter into
203 revenue-sharing agreements with private persons, firms, or
204 corporations providing goods or services, including
205 management services, in or for the place of amusement,
206 entertainment or recreation, games or athletic events, and
207 provided further that nothing in this subdivision shall
208 exempt from tax any amounts retained by any private person,
209 firm, or corporation under such revenue-sharing agreement;

210 (18) All sales of insulin, and all sales, rentals,
211 repairs, and parts of durable medical equipment, prosthetic
212 devices, and orthopedic devices as defined on January 1,
213 1980, by the federal Medicare program pursuant to Title
214 XVIII of the Social Security Act of 1965, including the
215 items specified in Section 1862(a)(12) of that act, and also
216 specifically including hearing aids and hearing aid supplies
217 and all sales of drugs which may be legally dispensed by a
218 licensed pharmacist only upon a lawful prescription of a
219 practitioner licensed to administer those items, including
220 samples and materials used to manufacture samples which may
221 be dispensed by a practitioner authorized to dispense such
222 samples and all sales or rental of medical oxygen, home
223 respiratory equipment and accessories including parts, and

224 hospital beds and accessories and ambulatory aids including
225 parts, and all sales or rental of manual and powered
226 wheelchairs including parts, and stairway lifts, Braille
227 writers, electronic Braille equipment and, if purchased or
228 rented by or on behalf of a person with one or more physical
229 or mental disabilities to enable them to function more
230 independently, all sales or rental of scooters including
231 parts, and reading machines, electronic print enlargers and
232 magnifiers, electronic alternative and augmentative
233 communication devices, and items used solely to modify motor
234 vehicles to permit the use of such motor vehicles by
235 individuals with disabilities or sales of over-the-counter
236 or nonprescription drugs to individuals with disabilities,
237 and drugs required by the Food and Drug Administration to
238 meet the over-the-counter drug product labeling requirements
239 in 21 CFR 201.66, or its successor, as prescribed by a
240 health care practitioner licensed to prescribe;

241 (19) All sales made by or to religious and charitable
242 organizations and institutions in their religious,
243 charitable or educational functions and activities and all
244 sales made by or to all elementary and secondary schools
245 operated at public expense in their educational functions
246 and activities;

247 (20) All sales of aircraft to common carriers for
248 storage or for use in interstate commerce and all sales made
249 by or to not-for-profit civic, social, service or fraternal
250 organizations, including fraternal organizations which have
251 been declared tax-exempt organizations pursuant to Section
252 501(c) (8) or (10) of the 1986 Internal Revenue Code, as
253 amended, in their civic or charitable functions and
254 activities and all sales made to eleemosynary and penal
255 institutions and industries of the state, and all sales made
256 to any private not-for-profit institution of higher

257 education not otherwise excluded pursuant to subdivision
258 (19) of this subsection or any institution of higher
259 education supported by public funds, and all sales made to a
260 state relief agency in the exercise of relief functions and
261 activities;

262 (21) All ticket sales made by benevolent, scientific
263 and educational associations which are formed to foster,
264 encourage, and promote progress and improvement in the
265 science of agriculture and in the raising and breeding of
266 animals, and by nonprofit summer theater organizations if
267 such organizations are exempt from federal tax pursuant to
268 the provisions of the Internal Revenue Code and all
269 admission charges and entry fees to the Missouri state fair
270 or any fair conducted by a county agricultural and
271 mechanical society organized and operated pursuant to
272 sections 262.290 to 262.530;

273 (22) All sales made to any private not-for-profit
274 elementary or secondary school, all sales of feed additives,
275 medications or vaccines administered to livestock or poultry
276 in the production of food or fiber, all sales of pesticides
277 used in the production of crops, livestock or poultry for
278 food or fiber, all sales of bedding used in the production
279 of livestock or poultry for food or fiber, all sales of
280 propane or natural gas, electricity or diesel fuel used
281 exclusively for drying agricultural crops, natural gas used
282 in the primary manufacture or processing of fuel ethanol as
283 defined in section 142.028, natural gas, propane, and
284 electricity used by an eligible new generation cooperative
285 or an eligible new generation processing entity as defined
286 in section 348.432, and all sales of farm machinery and
287 equipment, other than airplanes, motor vehicles and
288 trailers, and any freight charges on any exempt item. As
289 used in this subdivision, the term "feed additives" means

290 tangible personal property which, when mixed with feed for
291 livestock or poultry, is to be used in the feeding of
292 livestock or poultry. As used in this subdivision, the term
293 "pesticides" includes adjuvants such as crop oils,
294 surfactants, wetting agents and other assorted pesticide
295 carriers used to improve or enhance the effect of a
296 pesticide and the foam used to mark the application of
297 pesticides and herbicides for the production of crops,
298 livestock or poultry. As used in this subdivision, the term
299 "farm machinery and equipment" means new or used farm
300 tractors and such other new or used farm machinery and
301 equipment and repair or replacement parts thereon and any
302 accessories for and upgrades to such farm machinery and
303 equipment, rotary mowers used exclusively for agricultural
304 purposes, and supplies and lubricants used exclusively,
305 solely, and directly for producing crops, raising and
306 feeding livestock, fish, poultry, pheasants, chukar, quail,
307 or for producing milk for ultimate sale at retail, including
308 field drain tile, and one-half of each purchaser's purchase
309 of diesel fuel therefor which is:

- 310 (a) Used exclusively for agricultural purposes;
- 311 (b) Used on land owned or leased for the purpose of
312 producing farm products; and
- 313 (c) Used directly in producing farm products to be
314 sold ultimately in processed form or otherwise at retail or
315 in producing farm products to be fed to livestock or poultry
316 to be sold ultimately in processed form at retail;

317 (23) Except as otherwise provided in section 144.032,
318 all sales of metered water service, electricity, electrical
319 current, natural, artificial or propane gas, wood, coal or
320 home heating oil for domestic use and in any city not within
321 a county, all sales of metered or unmetered water service
322 for domestic use:

323 (a) "Domestic use" means that portion of metered water
324 service, electricity, electrical current, natural,
325 artificial or propane gas, wood, coal or home heating oil,
326 and in any city not within a county, metered or unmetered
327 water service, which an individual occupant of a residential
328 premises uses for nonbusiness, noncommercial or
329 nonindustrial purposes. Utility service through a single or
330 master meter for residential apartments or condominiums,
331 including service for common areas and facilities and vacant
332 units, shall be deemed to be for domestic use. Each seller
333 shall establish and maintain a system whereby individual
334 purchases are determined as exempt or nonexempt;

335 (b) Regulated utility sellers shall determine whether
336 individual purchases are exempt or nonexempt based upon the
337 seller's utility service rate classifications as contained
338 in tariffs on file with and approved by the Missouri public
339 service commission. Sales and purchases made pursuant to
340 the rate classification "residential" and sales to and
341 purchases made by or on behalf of the occupants of
342 residential apartments or condominiums through a single or
343 master meter, including service for common areas and
344 facilities and vacant units, shall be considered as sales
345 made for domestic use and such sales shall be exempt from
346 sales tax. Sellers shall charge sales tax upon the entire
347 amount of purchases classified as nondomestic use. The
348 seller's utility service rate classification and the
349 provision of service thereunder shall be conclusive as to
350 whether or not the utility must charge sales tax;

351 (c) Each person making domestic use purchases of
352 services or property and who uses any portion of the
353 services or property so purchased for a nondomestic use
354 shall, by the fifteenth day of the fourth month following
355 the year of purchase, and without assessment, notice or

356 demand, file a return and pay sales tax on that portion of
357 nondomestic purchases. Each person making nondomestic
358 purchases of services or property and who uses any portion
359 of the services or property so purchased for domestic use,
360 and each person making domestic purchases on behalf of
361 occupants of residential apartments or condominiums through
362 a single or master meter, including service for common areas
363 and facilities and vacant units, under a nonresidential
364 utility service rate classification may, between the first
365 day of the first month and the fifteenth day of the fourth
366 month following the year of purchase, apply for credit or
367 refund to the director of revenue and the director shall
368 give credit or make refund for taxes paid on the domestic
369 use portion of the purchase. The person making such
370 purchases on behalf of occupants of residential apartments
371 or condominiums shall have standing to apply to the director
372 of revenue for such credit or refund;

373 (24) All sales of handicraft items made by the seller
374 or the seller's spouse if the seller or the seller's spouse
375 is at least sixty-five years of age, and if the total gross
376 proceeds from such sales do not constitute a majority of the
377 annual gross income of the seller;

378 (25) Excise taxes, collected on sales at retail,
379 imposed by Sections 4041, 4071, 4081, 4091, 4161, 4181,
380 4251, 4261 and 4271 of Title 26, United States Code. The
381 director of revenue shall promulgate rules pursuant to
382 chapter 536 to eliminate all state and local sales taxes on
383 such excise taxes;

384 (26) Sales of fuel consumed or used in the operation
385 of ships, barges, or waterborne vessels which are used
386 primarily in or for the transportation of property or cargo,
387 or the conveyance of persons for hire, on navigable rivers
388 bordering on or located in part in this state, if such fuel

389 is delivered by the seller to the purchaser's barge, ship,
390 or waterborne vessel while it is afloat upon such river;

391 (27) All sales made to an interstate compact agency
392 created pursuant to sections 70.370 to 70.441 or sections
393 238.010 to 238.100 in the exercise of the functions and
394 activities of such agency as provided pursuant to the
395 compact;

396 (28) Computers, computer software and computer
397 security systems purchased for use by architectural or
398 engineering firms headquartered in this state. For the
399 purposes of this subdivision, "headquartered in this state"
400 means the office for the administrative management of at
401 least four integrated facilities operated by the taxpayer is
402 located in the state of Missouri;

403 (29) All livestock sales when either the seller is
404 engaged in the growing, producing or feeding of such
405 livestock, or the seller is engaged in the business of
406 buying and selling, bartering or leasing of such livestock;

407 (30) All sales of barges which are to be used
408 primarily in the transportation of property or cargo on
409 interstate waterways;

410 (31) Electrical energy or gas, whether natural,
411 artificial or propane, water, or other utilities which are
412 ultimately consumed in connection with the manufacturing of
413 cellular glass products or in any material recovery
414 processing plant as defined in subdivision (4) of this
415 subsection;

416 (32) Notwithstanding other provisions of law to the
417 contrary, all sales of pesticides or herbicides used in the
418 production of crops, aquaculture, livestock or poultry;

419 (33) Tangible personal property and utilities
420 purchased for use or consumption directly or exclusively in
421 the research and development of agricultural/biotechnology

422 and plant genomics products and prescription pharmaceuticals
423 consumed by humans or animals;

424 (34) All sales of grain bins for storage of grain for
425 resale;

426 (35) All sales of feed which are developed for and
427 used in the feeding of pets owned by a commercial breeder
428 when such sales are made to a commercial breeder, as defined
429 in section 273.325, and licensed pursuant to sections
430 273.325 to 273.357;

431 (36) All purchases by a contractor on behalf of an
432 entity located in another state, provided that the entity is
433 authorized to issue a certificate of exemption for purchases
434 to a contractor under the provisions of that state's laws.
435 For purposes of this subdivision, the term "certificate of
436 exemption" shall mean any document evidencing that the
437 entity is exempt from sales and use taxes on purchases
438 pursuant to the laws of the state in which the entity is
439 located. Any contractor making purchases on behalf of such
440 entity shall maintain a copy of the entity's exemption
441 certificate as evidence of the exemption. If the exemption
442 certificate issued by the exempt entity to the contractor is
443 later determined by the director of revenue to be invalid
444 for any reason and the contractor has accepted the
445 certificate in good faith, neither the contractor or the
446 exempt entity shall be liable for the payment of any taxes,
447 interest and penalty due as the result of use of the invalid
448 exemption certificate. Materials shall be exempt from all
449 state and local sales and use taxes when purchased by a
450 contractor for the purpose of fabricating tangible personal
451 property which is used in fulfilling a contract for the
452 purpose of constructing, repairing or remodeling facilities
453 for the following:

454 (a) An exempt entity located in this state, if the
455 entity is one of those entities able to issue project
456 exemption certificates in accordance with the provisions of
457 section 144.062; or

458 (b) An exempt entity located outside the state if the
459 exempt entity is authorized to issue an exemption
460 certificate to contractors in accordance with the provisions
461 of that state's law and the applicable provisions of this
462 section;

463 (37) All sales or other transfers of tangible personal
464 property to a lessor who leases the property under a lease
465 of one year or longer executed or in effect at the time of
466 the sale or other transfer to an interstate compact agency
467 created pursuant to sections 70.370 to 70.441 or sections
468 238.010 to 238.100;

469 (38) Sales of tickets to any collegiate athletic
470 championship event that is held in a facility owned or
471 operated by a governmental authority or commission, a quasi-
472 governmental agency, a state university or college or by the
473 state or any political subdivision thereof, including a
474 municipality, and that is played on a neutral site and may
475 reasonably be played at a site located outside the state of
476 Missouri. For purposes of this subdivision, "neutral site"
477 means any site that is not located on the campus of a
478 conference member institution participating in the event;

479 (39) All purchases by a sports complex authority
480 created under section 64.920, and all sales of utilities by
481 such authority at the authority's cost that are consumed in
482 connection with the operation of a sports complex leased to
483 a professional sports team;

484 (40) All materials, replacement parts, and equipment
485 purchased for use directly upon, and for the modification,

486 replacement, repair, and maintenance of aircraft, aircraft
487 power plants, and aircraft accessories;

488 (41) Sales of sporting clays, wobble, skeet, and trap
489 targets to any shooting range or similar places of business
490 for use in the normal course of business and money received
491 by a shooting range or similar places of business from
492 patrons and held by a shooting range or similar place of
493 business for redistribution to patrons at the conclusion of
494 a shooting event;

495 (42) All sales of motor fuel, as defined in section
496 142.800, used in any watercraft, as defined in section
497 306.010;

498 (43) Any new or used aircraft sold or delivered in
499 this state to a person who is not a resident of this state
500 or a corporation that is not incorporated in this state, and
501 such aircraft is not to be based in this state and shall not
502 remain in this state more than ten business days subsequent
503 to the last to occur of:

504 (a) The transfer of title to the aircraft to a person
505 who is not a resident of this state or a corporation that is
506 not incorporated in this state; or

507 (b) The date of the return to service of the aircraft
508 in accordance with 14 CFR 91.407 for any maintenance,
509 preventive maintenance, rebuilding, alterations, repairs, or
510 installations that are completed contemporaneously with the
511 transfer of title to the aircraft to a person who is not a
512 resident of this state or a corporation that is not
513 incorporated in this state;

514 (44) Motor vehicles registered in excess of fifty-four
515 thousand pounds, and the trailers pulled by such motor
516 vehicles, that are actually used in the normal course of
517 business to haul property on the public highways of the
518 state, and that are capable of hauling loads commensurate

519 with the motor vehicle's registered weight; and the
520 materials, replacement parts, and equipment purchased for
521 use directly upon, and for the repair and maintenance or
522 manufacture of such vehicles. For purposes of this
523 subdivision, "motor vehicle" and "public highway" shall have
524 the meaning as ascribed in section 390.020;

525 (45) All internet access or the use of internet access
526 regardless of whether the tax is imposed on a provider of
527 internet access or a buyer of internet access. For purposes
528 of this subdivision, the following terms shall mean:

529 (a) "Direct costs", costs incurred by a governmental
530 authority solely because of an internet service provider's
531 use of the public right-of-way. The term shall not include
532 costs that the governmental authority would have incurred if
533 the internet service provider did not make such use of the
534 public right-of-way. Direct costs shall be determined in a
535 manner consistent with generally accepted accounting
536 principles;

537 (b) "Internet", computer and telecommunications
538 facilities, including equipment and operating software, that
539 comprises the interconnected worldwide network that employ
540 the transmission control protocol or internet protocol, or
541 any predecessor or successor protocols to that protocol, to
542 communicate information of all kinds by wire or radio;

543 (c) "Internet access", a service that enables users to
544 connect to the internet to access content, information, or
545 other services without regard to whether the service is
546 referred to as telecommunications, communications,
547 transmission, or similar services, and without regard to
548 whether a provider of the service is subject to regulation
549 by the Federal Communications Commission as a common carrier
550 under 47 U.S.C. Section 201, et seq. For purposes of this
551 subdivision, internet access also includes: the purchase,

552 use, or sale of communications services, including
553 telecommunications services as defined in section 144.010,
554 to the extent the communications services are purchased,
555 used, or sold to provide the service described in this
556 subdivision or to otherwise enable users to access content,
557 information, or other services offered over the internet;
558 services that are incidental to the provision of a service
559 described in this subdivision, when furnished to users as
560 part of such service, including a home page, electronic
561 mail, and instant messaging, including voice-capable and
562 video-capable electronic mail and instant messaging, video
563 clips, and personal electronic storage capacity; a home page
564 electronic mail and instant messaging, including voice-
565 capable and video-capable electronic mail and instant
566 messaging, video clips, and personal electronic storage
567 capacity that are provided independently or that are not
568 packed with internet access. As used in this subdivision,
569 internet access does not include voice, audio, and video
570 programming or other products and services, except services
571 described in this paragraph or this subdivision, that use
572 internet protocol or any successor protocol and for which
573 there is a charge, regardless of whether the charge is
574 separately stated or aggregated with the charge for services
575 described in this paragraph or this subdivision;

576 (d) "Tax", any charge imposed by the state or a
577 political subdivision of the state for the purpose of
578 generating revenues for governmental purposes and that is
579 not a fee imposed for a specific privilege, service, or
580 benefit conferred, except as described as otherwise under
581 this subdivision, or any obligation imposed on a seller to
582 collect and to remit to the state or a political subdivision
583 of the state any gross retail tax, sales tax, or use tax
584 imposed on a buyer by such a governmental entity. The term

585 tax shall not include any franchise fee or similar fee
 586 imposed or authorized under section 67.1830 or 67.2689;
 587 Section 622 or 653 of the Communications Act of 1934, 47
 588 U.S.C. Section 542 and 47 U.S.C. Section 573; or any other
 589 fee related to obligations of telecommunications carriers
 590 under the Communications Act of 1934, 47 U.S.C. Section 151,
 591 et seq., except to the extent that:

592 a. The fee is not imposed for the purpose of
 593 recovering direct costs incurred by the franchising or other
 594 governmental authority from providing the specific
 595 privilege, service, or benefit conferred to the payer of the
 596 fee; or

597 b. The fee is imposed for the use of a public right-of-
 598 way based on a percentage of the service revenue, and the
 599 fee exceeds the incremental direct costs incurred by the
 600 governmental authority associated with the provision of that
 601 right-of-way to the provider of internet access service.

602 Nothing in this subdivision shall be interpreted as an
 603 exemption from taxes due on goods or services that were
 604 subject to tax on January 1, 2016;

605 (46) All purchases by a Missouri company of solar
 606 photovoltaic energy equipment used to construct a solar
 607 photovoltaic energy system and all purchases of materials
 608 and supplies used directly to construct or make improvements
 609 to such systems, provided that such systems:

610 (a) Allow for energy storage;

611 (b) Include advanced or smart meter inverter capacity;

612 or

613 (c) Are projects greater than twenty megawatts.

614 For the purposes of this subdivision, the term "Missouri
 615 company" shall mean any corporation or other business
 616 organization that is registered with the secretary of state.

617 3. Any ruling, agreement, or contract, whether written
618 or oral, express or implied, between a person and this
619 state's executive branch, or any other state agency or
620 department, stating, agreeing, or ruling that such person is
621 not required to collect sales and use tax in this state
622 despite the presence of a warehouse, distribution center, or
623 fulfillment center in this state that is owned or operated
624 by the person or an affiliated person shall be null and void
625 unless it is specifically approved by a majority vote of
626 each of the houses of the general assembly. For purposes of
627 this subsection, an "affiliated person" means any person
628 that is a member of the same controlled group of
629 corporations as defined in Section 1563(a) of the Internal
630 Revenue Code of 1986, as amended, as the vendor or any other
631 entity that, notwithstanding its form of organization, bears
632 the same ownership relationship to the vendor as a
633 corporation that is a member of the same controlled group of
634 corporations as defined in Section 1563(a) of the Internal
635 Revenue Code, as amended."; and

636 Further amend said bill, page 63, Section 393.1700,
637 line 1131, by inserting after all of said line the following:

638 "442.404. 1. As used in this section, the following
639 terms shall mean:

640 (1) "Homeowners' association", a nonprofit corporation
641 or unincorporated association of homeowners created under a
642 declaration to own and operate portions of a planned
643 community or other residential subdivision that has the
644 power under the declaration to assess association members to
645 pay the costs and expenses incurred in the performance of
646 the association's obligations under the declaration or
647 tenants-in-common with respect to the ownership of common
648 ground or amenities of a planned community or other
649 residential subdivision. This term shall not include a

650 condominium unit owners' association as defined and provided
651 for in subdivision (3) of section 448.1-103 or a residential
652 cooperative;

653 (2) "Political signs", any fixed, ground-mounted
654 display in support of or in opposition to a person seeking
655 elected office or a ballot measure excluding any materials
656 that may be attached;

657 (3) "Solar panel or solar collector", a device used to
658 collect and convert solar energy into electricity or thermal
659 energy, including but not limited to photovoltaic cells or
660 panels, or solar thermal systems.

661 2. (1) No deed restrictions, covenants, or similar
662 binding agreements running with the land shall prohibit or
663 have the effect of prohibiting the display of political
664 signs.

665 **[3.]** (2) A homeowners' association has the authority
666 to adopt reasonable rules, subject to any applicable
667 statutes or ordinances, regarding the time, size, place,
668 number, and manner of display of political signs.

669 **[4.]** (3) A homeowners' association may remove a
670 political sign without liability if such sign is placed
671 within the common ground, threatens the public health or
672 safety, violates an applicable statute or ordinance, is
673 accompanied by sound or music, or if any other materials are
674 attached to the political sign. Subject to the foregoing, a
675 homeowners' association shall not remove a political sign
676 from the property of a homeowner or impose any fine or
677 penalty upon the homeowner unless it has given such
678 homeowner three days after providing written notice to the
679 homeowner, which notice shall specifically identify the rule
680 and the nature of the violation.

681 3. (1) No deed restrictions, covenants, or similar
682 binding agreements running with the land shall limit or

683 prohibit, or have the effect of limiting or prohibiting, the
684 installation of solar panels or solar collectors on the
685 rooftop of any property or structure.

686 (2) A homeowners' association may adopt reasonable
687 rules, subject to any applicable statutes or ordinances,
688 regarding the placement of solar panels or solar collectors
689 to the extent that those rules do not prevent the
690 installation of the device, impair the functioning of the
691 device, restrict the use of the device, or adversely affect
692 the cost or efficiency of the device.

693 (3) The provisions of this subsection shall apply only
694 with regard to rooftops that are owned, controlled, and
695 maintained by the owner of the individual property or
696 structure.

697 Section B. The repeal and reenactment of section
698 442.404 of section A of this act shall be effective on
699 January 1, 2023."; and

700 Further amend the title and enacting clause accordingly.