

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 2291
101ST GENERAL ASSEMBLY

4216H.02C

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 94.902, RSMo, and to enact in lieu thereof one new section relating to a public safety sales tax.

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

Section A. Section 94.902, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 94.902, to read as follows:

94.902. 1. The governing bodies of the following cities may impose a tax as provided in this section:

(1) Any city of the third classification with more than twenty-six thousand three hundred but less than twenty-six thousand seven hundred inhabitants;

(2) Any city of the fourth classification with more than thirty thousand three hundred but fewer than thirty thousand seven hundred inhabitants;

(3) Any city of the fourth classification with more than twenty-four thousand eight hundred but fewer than twenty-five thousand inhabitants;

(4) Any special charter city with more than twenty-nine thousand but fewer than thirty-two thousand inhabitants;

(5) Any city of the third classification with more than four thousand but fewer than four thousand five hundred inhabitants and located in any county of the first classification with more than two hundred thousand but fewer than two hundred sixty thousand inhabitants;

(6) Any city of the fourth classification with more than nine thousand five hundred but fewer than ten thousand eight hundred inhabitants;

(7) Any city of the fourth classification with more than five hundred eighty but fewer than six hundred fifty inhabitants;

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.

18 (8) Any city of the fourth classification with more than two thousand seven hundred
19 but fewer than three thousand inhabitants and located in any county of the first classification
20 with more than eighty-three thousand but fewer than ninety-two thousand inhabitants; ~~or~~

21 (9) Any city of the fourth classification with more than two thousand four hundred
22 but fewer than two thousand seven hundred inhabitants and located in any county of the third
23 classification without a township form of government and with more than ten thousand but
24 fewer than twelve thousand inhabitants;

25 **(10) Any city with more than one thousand sixty but fewer than one thousand**
26 **one hundred seventy inhabitants and located in a county with more than nineteen**
27 **thousand but fewer than twenty-two thousand inhabitants and with a county seat with**
28 **more than one thousand but fewer than two thousand two hundred twenty inhabitants;**

29 **(11) Any city with more than nine thousand but fewer than ten thousand**
30 **inhabitants and that is the county seat of a county with more than nineteen thousand but**
31 **fewer than twenty-two thousand inhabitants; or**

32 **(12) Any city with more than four hundred eighty but fewer than five hundred**
33 **forty inhabitants and located in a county with more than thirty thousand but fewer than**
34 **thirty-five thousand inhabitants and with a county seat with more than two hundred but**
35 **fewer than nine hundred inhabitants.**

36 2. The governing body of any city listed in subsection 1 of this section may impose,
37 by order or ordinance, a sales tax on all retail sales made in the city which are subject to
38 taxation under chapter 144. The tax authorized in this section may be imposed in an amount
39 of up to one-half of one percent~~and~~. **The tax** shall be imposed solely for the purpose of
40 improving the public safety for such city, including but not limited to expenditures on
41 equipment~~;~~; city employee salaries and benefits~~;~~; and facilities for police, fire and
42 emergency medical providers. The tax authorized in this section shall be in addition to all
43 other sales taxes imposed by law, and shall be stated separately from all other charges and
44 taxes. The order or ordinance imposing a sales tax under this section shall not become
45 effective unless the governing body of the city submits to the voters residing within the city,
46 at a county or state general, primary, or special election, a proposal to authorize the governing
47 body of the city to impose a tax under this section.

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

<p>50 Shall the city of _____ [(city's name)] impose a citywide sales tax at a</p> <p>51 rate of _____ [(insert rate of percent)] percent for the purpose of</p> <p>52 improving the public safety of the city?</p> <p>53 <input type="checkbox"/> Yes <input type="checkbox"/> No</p>

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

58 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in
59 favor of the proposal, then the ordinance or order and any amendments to the order or
60 ordinance shall become effective on the first day of the second calendar quarter after the
61 director of revenue receives notice of the adoption of the sales tax. If a majority of the votes
62 cast on the proposal by the qualified voters voting thereon are opposed to the proposal, then
63 the tax shall not become effective unless the proposal is resubmitted under this section to the
64 qualified voters and such proposal is approved by a majority of the qualified voters voting on
65 the proposal. However, in no event shall a proposal under this section be submitted to the
66 voters sooner than twelve months from the date of the last proposal under this section.

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4. Any sales tax imposed under this section shall be administered, collected, enforced, and operated as required in section 32.087. All sales taxes collected by the director of the department of revenue under this section on behalf of any city, less one percent for cost of collection which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in section 32.087, shall be deposited in a special trust fund, which is hereby created in the state treasury, to be known as the "City Public Safety Sales Tax Trust Fund". The moneys in the trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state. The provisions of section 33.080 to the contrary notwithstanding, money in this fund shall not be transferred and placed to the credit of the general revenue fund. The director shall keep accurate records of the amount of money in the trust fund and which was collected in each city imposing a sales tax under this section, and the records shall be open to the inspection of officers of the city and the public. Not later than the tenth day of each month the director shall distribute all moneys deposited in the trust fund during the preceding month to the city which levied the tax. Such funds shall be deposited with the city treasurer of each such city, and all expenditures of funds arising from the trust fund shall be by an appropriation act to be enacted by the governing body of each such city. Expenditures may be made from the fund for any functions authorized in the ordinance or order adopted by the governing body submitting the tax to the voters. If the tax is repealed, all funds remaining in the special trust fund shall continue to be used solely for the designated purposes. Any funds in the special trust fund which are not needed for current expenditures shall be invested in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

89 5. The director of the department of revenue may authorize the state treasurer to make
90 refunds from the amounts in the trust fund and credited to any city for erroneous payments
91 and overpayments made, and may redeem dishonored checks and drafts deposited to the
92 credit of such cities. If any city abolishes the tax, the city shall notify the director of the
93 action at least ninety days before the effective date of the repeal, and the director may order
94 retention in the trust fund, for a period of one year, of two percent of the amount collected
95 after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem
96 dishonored checks and drafts deposited to the credit of such accounts. After one year has
97 elapsed after the effective date of abolition of the tax in such city, the director shall remit the
98 balance in the account to the city and close the account of that city. The director shall notify
99 each city of each instance of any amount refunded or any check redeemed from receipts due
100 the city.

101 6. The governing body of any city that has adopted the sales tax authorized in this
102 section may submit the question of repeal of the tax to the voters on any date available for
103 elections for the city. The ballot of submission shall be in substantially the following form:

104 Shall the city of _____ [(insert the name of the city)] repeal the sales
105 tax imposed at a rate of _____ [(insert rate of percent)] percent for the
106 purpose of improving the public safety of the city?
107 <input type="checkbox"/> Yes <input type="checkbox"/> No

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

115 7. Whenever the governing body of any city that has adopted the sales tax authorized
116 in this section receives a petition, signed by ten percent of the registered voters of the city
117 voting in the last gubernatorial election, calling for an election to repeal the sales tax imposed
118 under this section, the governing body shall submit to the voters of the city a proposal to
119 repeal the tax. If a majority of the votes cast on the question by the qualified voters voting
120 thereon are in favor of the repeal, that repeal shall become effective on December thirty-first
121 of the calendar year in which such repeal was approved. If a majority of the votes cast on the
122 question by the qualified voters voting thereon are opposed to the repeal, then the tax shall
123 remain effective until the question is resubmitted under this section to the qualified voters and
124 the repeal is approved by a majority of the qualified voters voting on the question.

125 8. Any sales tax imposed under this section by a city described under subdivision (6)
126 of subsection 1 of this section that is in effect as of December 31, 2038, shall automatically
127 expire. No city described under subdivision (6) of subsection 1 of this section shall collect a
128 sales tax pursuant to this section on or after January 1, 2039. Subsection 7 of this section
129 shall not apply to a sales tax imposed under this section by a city described under subdivision
130 (6) of subsection 1 of this section.

131 9. Except as modified in this section, all provisions of sections 32.085 and 32.087
132 shall apply to the tax imposed under this section.

133 **10. If any city in subsection 1 of this section enacts the tax authorized in this**
134 **section, then the city shall budget an amount to public safety that is no less than the**
135 **amount budgeted in the year immediately preceding the enactment of the tax. The**
136 **revenue from the tax shall supplement and not replace amounts budgeted by the city.**

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