

SECOND REGULAR SESSION

SENATE BILL NO. 638

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR LAMPING.

Read 1st time January 10, 2012, and ordered printed.

TERRY L. SPIELER, Secretary.

4369S.02I

AN ACT

To repeal sections 143.011, 143.021, and 149.015, RSMo, and to enact in lieu thereof three new sections relating to taxation.

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

Section A. Sections 143.011, 143.021, and 149.015, RSMo, are repealed
2 and three new sections enacted in lieu thereof, to be known as sections 143.011,
3 143.021, and 149.015, to read as follows:

143.011. A tax is hereby imposed for every taxable year on the Missouri
2 taxable income of every resident. The tax shall be determined by applying the
3 tax table or the rate provided in section 143.021, which is based upon the
4 following rates:

5 If the Missouri taxable income is:	The tax is:
6 [Not over \$1,000.00.	1 1/2% of the Missouri taxable income
8 Over \$1,000 but not over \$2,000	\$15 plus 2% of excess over \$1,000]
10 Over \$2,000 but not over \$3,000	[\$35 plus 2 1/2%] 1% of excess over \$2,000
12 Over \$3,000 but not over \$4,000	[\$60] \$10 plus 3% of excess over \$3,000
14 Over \$4,000 but not over \$5,000	[\$90] \$40 plus 3 1/2% of excess over \$4,000
16 Over \$5,000 but not over \$6,000	[\$125] \$75 plus 4% of excess over \$5,000
18 Over \$6,000 but not over \$7,000	[\$165] \$115 plus 4 1/2%

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

19			of excess over \$6,000
20	Over \$7,000 but not over \$8,000	[\$210]	\$160 plus 5% of
21			excess over \$7,000
22	Over \$8,000 but not over \$9,000	[\$260]	\$210 plus 5 1/2%
23			of excess over \$8,000
24	Over \$9,000	[\$315] \$265 plus 6% of
25			excess over \$9,000

143.021. Every resident having a taxable income of less than nine thousand
 2 dollars shall determine his tax from a tax table prescribed by the director of revenue
 3 and based upon the rates provided in section 143.011. The tax table shall be on the
 4 basis of one hundred dollar increments of taxable income below nine thousand
 5 dollars. The tax provided in the table shall be the amount rounded to the nearest
 6 whole dollar by applying the rates in section 143.011 to the taxable income at the
 7 midpoint of each increment, except there shall be no tax on a taxable income of less
 8 than [one hundred] **two thousand** dollars. Every resident having a taxable income
 9 of nine thousand dollars or more shall determine his tax from the rate provided in
 10 section 143.011.

149.015. 1. A tax shall be levied upon the sale of cigarettes at an amount
 2 equal to [eight and one-half] **twenty-one and one-half** mills per cigarette, until such
 3 time as the general assembly appropriates an amount equal to twenty-five percent of
 4 the net federal reimbursement allowance to the health initiatives fund, then the tax
 5 shall be six and one-half mills per cigarette beginning July first of the fiscal year
 6 immediately after such appropriation. As used in this section, "net federal
 7 reimbursement allowance" shall mean that amount of the federal reimbursement
 8 allowance in excess of the amount of state matching funds necessary for the state to
 9 make payments required by subsection 1 of section 208.471 or, if the payments exceed
 10 the amount so required, the actual payments made for the purposes specified in
 11 subsection 1 of section 208.471.

2. The tax shall be evidenced by stamps which shall be furnished by and
 13 purchased from the director or by an impression of the tax by the use of a metering
 14 machine when authorized by the director as provided in this chapter, and the stamps
 15 or impression shall be securely affixed to one end of each package in which cigarettes
 16 are contained. All cigarettes must be stamped before being sold in this state.

3. Cigarette tax stamps shall be purchased only from the director. All stamps
 18 shall be purchased by the director in proper denominations, shall contain such
 19 appropriate wording as the director may prescribe, and shall be of such design,

20 character, color combinations, color changes, sizes and material as the director may,
21 by rules and regulations, determine to afford the greatest security to the state. It shall
22 be the duty of the director to manufacture or contract for revenue stamps required by
23 this chapter; provided that if the stamps are contracted for, the manufacturer thereof
24 shall be within the jurisdiction of the criminal and civil courts of this state, unless the
25 stamps cannot be obtained in this state at a fair price or of acceptable quality. If
26 stamps are manufactured outside of the state, the director shall take any precautions
27 which he deems necessary to safeguard the state against forgery and misdelivery of
28 any stamps. The director may require of the manufacturer from whom stamps are
29 purchased a bond in an amount to be determined by him commensurate with the
30 monetary value of the stamps, containing such conditions as he may deem necessary
31 in order to protect the state against loss.

32 4. It shall be the intent of this chapter that the impact of the tax levied
33 hereunder be absorbed by the consumer or user and when the tax is paid by any other
34 person, the payment shall be considered as an advance payment and shall thereafter
35 be added to the price of the cigarettes and recovered from the ultimate consumer or
36 user with the person first selling the cigarettes acting as an agent of the state for the
37 payment and collection of the tax to the state, except that in furtherance of the intent
38 of this chapter no refund of any tax collected and remitted by a retailer upon gross
39 receipts from a sale of cigarettes subject to tax pursuant to this chapter shall be
40 claimed pursuant to chapter 144 for any amount illegally or erroneously overcharged
41 or overcollected as a result of imposition of sales tax by the retailer upon amounts
42 representing the tax imposed pursuant to this chapter and any such tax shall either
43 be refunded to the person who paid such tax or paid to the director. The director may
44 recoup from any retailer any tax illegally or erroneously overcharged or overcollected
45 unless such tax has been refunded to the person who paid such tax.

46 5. In making sales of cigarettes in the state, a wholesaler shall keep a record
47 of the amount of tax on his gross sales. The tax shall be evidenced by appropriate
48 stamps attached to each package of cigarettes sold. Notwithstanding any other law
49 to the contrary, no tax stamp need be attached to a package of cigarettes transported
50 in the state between wholesalers or distributors unless and until such package is sold
51 to a retailer or consumer.

52 6. The tax on any cigarettes contained in packages of four, ten, twenty or
53 similar quantities to be used solely for distribution as samples shall be computed on
54 a per cigarette basis at the rate set forth in this section, and payment of the tax shall
55 be remitted to the director at such time and in such manner as he may prescribe.

56 7. The revenue generated by the additional two mills tax imposed effective
57 August 13, 1982, less any three percent reduction allowed pursuant to the provisions
58 of section 149.021, shall be placed in a separate fund entitled "The Fair Share
59 Fund". Such moneys in the fair share fund shall be transferred monthly to the state
60 school moneys fund and distributed to the school districts in this state as provided in
61 section 163.031.

62 8. The revenue generated by the additional two mills tax imposed effective
63 October 1, 1993, less any three percent reduction allowed pursuant to the provisions
64 of section 149.021, shall be deposited in the health initiatives fund created in section
65 191.831. When the general assembly appropriates an amount equal to twenty-five
66 percent of the net federal reimbursement allowance to the health initiatives fund, this
67 subsection shall expire. The additional two mills tax levied pursuant to this section
68 shall not apply to an amount of stamped cigarettes in the possession of licensed
69 wholesalers on October 1, 1993, up to thirty-five percent of the total cigarette sales
70 made by such licensed wholesaler during the six months immediately preceding
71 October 1, 1993.

72 **9. The revenue generated by the additional thirteen mills tax imposed**
73 **effective August 28, 2012, shall be deposited in the general revenue fund.**

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