

SECOND REGULAR SESSION

SENATE BILL NO. 873

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR CRAWFORD.

Read 1st time January 14, 2020, and ordered printed.

ADRIANE D. CROUSE, Secretary.

4908S.011

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Section A. Section 94.902, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 94.902, to read as follows: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

(8) Any city of the fourth classification with more than two thousand

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

20 seven hundred but fewer than three thousand inhabitants and located in any
21 county of the first classification with more than eighty-three thousand but fewer
22 than ninety-two thousand inhabitants; or

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

27 **(10) Any city of the third classification with more than nine**
28 **thousand but fewer than ten thousand inhabitants and located in any**
29 **county of the third classification with a township form of government**
30 **and with more than twenty thousand but fewer than twenty-three**
31 **thousand inhabitants; or**

32 **(11) Any city of the fourth classification with more than one**
33 **thousand fifty but fewer than one thousand two hundred inhabitants**
34 **and located in any county of the third classification without a township**
35 **form of government and with more than eighteen thousand but fewer**
36 **than twenty thousand inhabitants and with a city of the fourth**
37 **classification with more than two thousand one hundred but fewer than**
38 **two thousand four hundred inhabitants as the county seat.**

39 2. The governing body of any city listed in subsection 1 of this section may
40 impose, by order or ordinance, a sales tax on all retail sales made in the city
41 which are subject to taxation under chapter 144. The tax authorized in this
42 section may be imposed in an amount of up to one-half of one percent, [and]
43 **except that a city listed under subdivision (10) or (11) of subsection 1**
44 **of this section may impose a tax of one-fourth, one-half, three-fourths,**
45 **or one percent. The tax** shall be imposed solely for the purpose of improving
46 the public safety for such city, including but not limited to expenditures on
47 equipment[.]; city employee salaries and benefits[.]; and facilities for police, fire
48 and emergency medical providers. The tax authorized in this section shall be in
49 addition to all other sales taxes imposed by law, and shall be stated separately
50 from all other charges and taxes. The order or ordinance imposing a sales tax
51 under this section shall not become effective unless the governing body of the city
52 submits to the voters residing within the city, at a county or state general,
53 primary, or special election, a proposal to authorize the governing body of the city
54 to impose a tax under this section.

55 3. The ballot of submission for the tax authorized in this section shall be

56 in substantially the following form:

57 Shall the city of _____ [(city's name)] impose a citywide sales tax
58 at a rate of _____ [(insert rate of percent)] percent for the purpose
59 of improving the public safety of the city?

60 YES NO

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

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

75 4. Any sales tax imposed under this section shall be administered,
76 collected, enforced, and operated as required in section 32.087. All sales taxes
77 collected by the director of the department of revenue under this section on behalf
78 of any city, less one percent for cost of collection which shall be deposited in the
79 state's general revenue fund after payment of premiums for surety bonds as
80 provided in section 32.087, shall be deposited in a special trust fund, which is
81 hereby created in the state treasury, to be known as the "City Public Safety Sales
82 Tax Trust Fund". The moneys in the trust fund shall not be deemed to be state
83 funds and shall not be commingled with any funds of the state. The provisions
84 of section 33.080 to the contrary notwithstanding, money in this fund shall not
85 be transferred and placed to the credit of the general revenue fund. The director
86 shall keep accurate records of the amount of money in the trust fund and which
87 was collected in each city imposing a sales tax under this section, and the records
88 shall be open to the inspection of officers of the city and the public. Not later
89 than the tenth day of each month the director shall distribute all moneys
90 deposited in the trust fund during the preceding month to the city which levied
91 the tax. Such funds shall be deposited with the city treasurer of each such city,

92 and all expenditures of funds arising from the trust fund shall be by an
 93 appropriation act to be enacted by the governing body of each such
 94 city. Expenditures may be made from the fund for any functions authorized in
 95 the ordinance or order adopted by the governing body submitting the tax to the
 96 voters. If the tax is repealed, all funds remaining in the special trust fund shall
 97 continue to be used solely for the designated purposes. Any funds in the special
 98 trust fund which are not needed for current expenditures shall be invested in the
 99 same manner as other funds are invested. Any interest and moneys earned on
 100 such investments shall be credited to the fund.

101 5. The director of the department of revenue may authorize the state
 102 treasurer to make refunds from the amounts in the trust fund and credited to any
 103 city for erroneous payments and overpayments made, and may redeem dishonored
 104 checks and drafts deposited to the credit of such cities. If any city abolishes the
 105 tax, the city shall notify the director of the action at least ninety days before the
 106 effective date of the repeal, and the director may order retention in the trust
 107 fund, for a period of one year, of two percent of the amount collected after receipt
 108 of such notice to cover possible refunds or overpayment of the tax and to redeem
 109 dishonored checks and drafts deposited to the credit of such accounts. After one
 110 year has elapsed after the effective date of abolition of the tax in such city, the
 111 director shall remit the balance in the account to the city and close the account
 112 of that city. The director shall notify each city of each instance of any amount
 113 refunded or any check redeemed from receipts due the city.

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

118 Shall **the city of** _____ [(insert the name of the city)] repeal the
 119 sales tax imposed at a rate of _____ [(insert rate of percent)]
 120 percent for the purpose of improving the public safety of the city?

121 YES NO

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

128 majority of the qualified voters voting on the question.

129 7. Whenever the governing body of any city that has adopted the sales tax
130 authorized in this section receives a petition, signed by ten percent of the
131 registered voters of the city voting in the last gubernatorial election, calling for
132 an election to repeal the sales tax imposed under this section, the governing body
133 shall submit to the voters of the city a proposal to repeal the tax. If a majority
134 of the votes cast on the question by the qualified voters voting thereon are in
135 favor of the repeal, that repeal shall become effective on December thirty-first of
136 the calendar year in which such repeal was approved. If a majority of the votes
137 cast on the question by the qualified voters voting thereon are opposed to the
138 repeal, then the tax shall remain effective until the question is resubmitted under
139 this section to the qualified voters and the repeal is approved by a majority of the
140 qualified voters voting on the question.

141 8. Any sales tax imposed under this section by a city described under
142 subdivision (6) of subsection 1 of this section that is in effect as of December 31,
143 2038, shall automatically expire. No city described under subdivision (6) of
144 subsection 1 of this section shall collect a sales tax pursuant to this section on or
145 after January 1, 2039. Subsection 7 of this section shall not apply to a sales tax
146 imposed under this section by a city described under subdivision (6) of subsection
147 1 of this section.

148 9. Except as modified in this section, all provisions of sections 32.085 and
149 32.087 shall apply to the tax imposed under this section.

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