



MUNICIPAL LEAGUE OF METRO ST. LOUIS

LINKING LOCAL COMMUNITIES | STRENGTHENING LOCAL GOVERNMENT

LEGISLATIVE UPDATE

Week Ended January 10, 2020

The legislative session began on January 8. Already several bills have been assigned to committee and hearings will commence next week on priority issues. One of these is SB 526, the video franchise fee bills, which is to be heard on the Senate Commerce Committee at noon on Wednesday.

WATCH LIST:

[SB 526](#) (Emery) Video Franchise Fee reduction

[HB 1933](#) (Wiemann) Establishes the "Missouri Local Government Expenditure Database" **OPPOSE**

[SB 529](#) (Cunningham) This act modifies several provisions relating to use taxes – **SUPPORT**

[SB 648](#) & [SB 741](#) (Koenig) Caps on Local Sales related to Wayfair - **OPPOSE**

Court Bills

[HB 1357](#) (Ellebracht) - Directs fines from certain municipal ordinances in cases heard before and associate circuit judge to be distributed annually to the schools of the county in the same manner that proceeds of all penalties, forfeitures, and fines collected for the breach of the penal laws of the state are distributed.

[HB 1439](#) (Helms) - Currently, if a Missouri resident fails to dispose of charges or fails to appear in court, if required, for a moving traffic violation, the court is required to notify the Director of the Department of Revenue of the failure and order the director to suspend the defendant's driving privileges if the charges are not disposed of and paid within 30 days. This bill makes it discretionary for the court to notify the department and order license suspension.

Economic Development Bills

[HB 1493](#) (Beck) - For TIF projects the bill changes the definitions of "economic activity taxes" to exclude local sales taxes dedicated to an education program or a fire protection district and "payment in lieu of taxes" to exclude revenue from any tax levied on real property whose revenue is dedicated to an education program or a fire protection district. The bill requires a redevelopment commission to approve a redevelopment plan before the redevelopment project can begin.

[SB 550](#) (Hegeman) - Current law provides that property that was partially or completely exempt from ad valorem property taxes under the tax increment financing, enterprise zone, and urban redevelopment corporations programs shall be included in the value of new construction and improvements for the purposes of assessed valuations once such property becomes partially or completely subject to taxation. This act expands such provision to cover all such properties under any ad valorem property tax abatement program. Economic Development Committee.

[SB 570](#) (Koenig) - modifies several provisions relating to tax increment financing. This act modifies the definitions of "blighted area" and "conservation area", and creates new definitions for "flood plain infrastructure projects", "port infrastructure projects", "retail area", and "retail infrastructure projects". (Section 99.805) This act modifies local tax increment financing projects by providing that a study shall be conducted by a party other than the proponent of the redevelopment plan, which details how the area meets the definition of an area eligible to receive tax increment financing. This act also provides that retail areas, as defined in the act, shall not receive tax increment financing unless such financing is exclusively utilized to fund retail infrastructure projects, as defined in the act, or unless such area is a blighted or conservation area. (Section 99.810) This act prohibits new projects from being authorized in any Greenfield area. (Section 99.843) This act also prohibits new projects from being authorized in an area designated as a flood plain by the Federal Emergency Management Agency unless such projects are located in a port district, provided such financing is utilized for port infrastructure projects, or in a levee or drainage district created prior to August 28, 2020. This act also provides that new projects may be authorized in an area within a flood plain provided that such financing shall be exclusively utilized to fund flood plain infrastructure projects, as defined in the act, that result in such area no longer being within an area designated as flood plain. This provision shall not apply to tax increment financing projects or districts approved prior to June 30, 2021, and such projects may be modified, amended, or expanded by not more than forty percent of such projects' original projected cost. Projects in flood plains shall not be authorized in St. Charles County. Ways & Means Committee.

[HB 1350](#) (Kidd) - authorizes a school board to remove its district's operating levy from the definition of levies that are subject to tax increment allocation financing for redevelopment projects pursuant to Section 99.845, RSMo. The bill specifies that a district's operating levy will be removed from the definition if a two-thirds majority of the school board votes in favor after permitting public comment on the matter at two consecutive school board meetings.

[HB 1370](#) (Ellebracht) - Currently, "heritage value" applies to real property that has been owned within the same family for at least 50 years, and the value is calculated to be 50% of fair market value. This bill amends the definition of "heritage value" to apply to real property that has been owned within the same family for at least 10 years. Heritage value for property that has been owned within the same family for 10 years and one day shall be 10% of fair market value. For every 10 years and one day increment thereafter, such value shall increase by 10% for each such increment.

[HB 1412](#) (Solon) - specifies that, in any condemnation proceeding, the condemning authority must reimburse the property owner for his or her actual reasonable attorney's fees and costs incurred with respect to the condemnation proceeding.

[HB 1585](#) (Washington) - modifies the definition of a blighted area where tax increment financing (TIF) projects are possible to be areas where buildings are unsafe or unsanitary provided the area also qualifies as a distressed community, where the level of unemployment is one and one-half times greater than the state average unemployment rate, or where the average household income is less than 50% of the average household income of the surrounding metropolitan statistical area (Section 99.805, RSMo). The bill also provides that tax credits, reduced tax rates, and any other measurable contributions such as donations or discounts shall be considered funding sources for the purposes of assessing the property proposed in a TIF redevelopment plan. A study that the proposed property was not previously developed using private funds, and a study as to whether or not development would occur without public assistance are added to the requisite findings a municipality must make before a redevelopment plan is adopted (Section 99.810). The bill exempts certain redevelopment projects from the funding limits for TIF projects associated with a geospatial intelligence federal employer in St. Louis City. Redevelopment projects so exempted include those consisting solely of public infrastructure improvements on public land and that will pay off its bonds within seven years, and those projects where only a municipality's economic activity taxes and payment in lieu of taxes (PILOTs), but not any charges levied by other taxing jurisdictions, are used to finance the project (Section 99.811). The bill additionally requires that 25% of all payments in lieu of taxes (PILOTs) associated with a TIF project shall be distributed by a municipality to all other taxing entities that would be entitled to tax revenue but for the TIF. Municipalities and developers are then required to annually report to the Department of Economic Development regarding the status of any TIF, and the department shall subsequently, and annually thereafter, create a report for the Governor and the General Assembly annually, by April 13th, on the TIF projects statewide (Sections 99.812 and 99.813). Redevelopment districts that provide emergency services shall be reimbursed through disbursements from a municipality's special allocation fund, provided that no reimbursement shall be less 25% or more than 100% of the district's TIF revenue. Reimbursements are further limited by only applying to districts in certain counties and municipalities (Section 99.814). Finally, the bill qualifies projects in blighted areas that are also in distressed communities for disbursements from the state Supplemental Tax Increment Fund. However, the bill prohibits TIF redevelopment projects unless all school districts in the redevelopment area have low fiscal capacity, all associated census blocks or census block groups have high unemployment, or all associated municipalities, census blocks, or census block groups are moderate income areas (Section 99.845).

[HB 1612](#) (Coleman) - modifies several provisions relating to tax increment financing. This bill modifies the definitions of "blighted area" and "conservation area", and creates new definitions for "flood plain infrastructure projects", "port infrastructure projects", "retail area", and "retail infrastructure projects" (Section 99.805, RSMo). This bill modifies local tax increment financing projects by providing that a study will be conducted by a party other than the proponent of the redevelopment plan, which details how the area meets the definition of an area eligible to receive tax increment financing. This bill also provides that retail areas, as defined in the bill, will not receive tax increment financing unless such financing is exclusively utilized to fund retail infrastructure projects, as defined in the bill, or unless such area is a blighted or conservation area (Section 99.810). This bill prohibits new projects from being authorized in any Greenfield area (Section 99.843). This bill also prohibits new projects from being authorized in an area designated as a flood plain by the Federal Emergency Management Agency unless such projects are located in a port district, provided such financing is utilized for port infrastructure projects, or in a levee or drainage district created prior to August 28, 2020. This bill also provides that new projects may be authorized in an area within a flood plain provided that such financing must be exclusively utilized to fund flood plain infrastructure projects, as defined in the bill, that result in such area no longer being within an area designated as a flood plain. This provision will not apply to tax increment financing projects or districts approved prior to June 30, 2021, and such projects may be modified, amended, or

expanded by not more than 40% of such projects' original projected cost. Projects in flood plains will not be authorized in St. Charles County (Section 99.847).

[SB 646](#) (Koenig) - Current law authorizes community improvement districts (CIDs) and transportation development districts (TDDs) to impose a sales tax on purchases made within such districts if approved by a majority of voters living within the district. This act requires such sales taxes to be approved by a majority of the voters of the municipality in which the district is located. Additionally, current law authorizes TDDs to charge and collect tolls or fees for the use of a project if approved by a majority of voters within the district. This act requires such tolls or fees to be approved by a majority of voters within the municipality in which the TDD is located.

Election Bills

[SJR 46](#) (Cierpiot) - constitutional amendment provides that any proposal by the state or a county, municipality, or other political subdivision for a new tax or fee, an increase in an existing tax or fee, or a reauthorization of an existing tax or fee that is submitted to the voters for approval shall not become effective unless it receives a qualified majority in favor and at least 22% of qualified voters cast a ballot in the election.

[SJR 52](#) (Eigel) - constitutional amendment provides that any proposal by the state or a county, municipality, or other political subdivision for a new tax or fee or an increase in an existing tax or fee that is submitted to the voters for approval shall not become effective unless it receives a qualified majority in favor and at least 50% of qualified voters cast a ballot in the election.

[HB 1777](#) (Lovasco) - requires the Secretary of State (SOS) to investigate violations of election statutes relating to the use of public funds for political advertising purposes on printed materials. Any person may file a complaint against a state department or its director for violations. The SOS has 30 days to dismiss the complaint or start an investigation and notify the complainant of the decision. If the SOS, or any person whose complaint is denied, wishes to proceed then they may file a petition in the Circuit Court of Cole County against the agency or political subdivision. Procedures for filing are specified in the bill. If the court finds a violation, then civil penalties of 10 times the amount of an expenditure or \$10,000, whichever is greater, may be imposed on a department or political subdivision. Directors and administrators may be personally liable for up to \$1,000 in civil penalties. Injunctive relief and court costs shall also be imposed as specified in the bill.

Miscellaneous Bills

[HB 1347](#) (Baker) - prohibits the contribution or expenditure of public funds, including public resources or specified property, by any officer, board member, director, administrator, employee, or agent of any political subdivision to advocate, support, or oppose any ballot measure or candidate for public office. Individuals are also restricted from specified advocacy before the General Assembly when acting in an official capacity or during work hours. The bill does not prohibit these individuals from making public appearances or from issuing press releases concerning any such ballot measure. The bill does allow the use of legislative liaisons by political subdivisions and special districts to communicate information to

the General Assembly about their policies and procedures. If a contribution or expenditure of public funds to any person results in the use of any part of such funds to advocate, support, or oppose any ballot measure or candidate for public office, the contribution or expenditure is in violation of these provisions. Any resident of a political subdivision who wishes to challenge a contribution or expenditure of public funds may bring an action in any circuit court of the political subdivision in which any alleged violation occurred. The political subdivision and the officer, board member, director, administrator, employee, or agent who allegedly violated this section shall be named as party defendants. The petition shall set forth the contribution, expenditure, or contribution and expenditure at issue and the facts that gave rise to a violation and shall pray leave to produce such proof. The court shall consider the petition and evidence, hear arguments, and in its decision determine whether a violation of this section occurred. If the court decides the contribution or expenditure of public funds was a violation, then the court may award attorney fees and the political subdivision shall be subject to a civil penalty in an amount 10 times the amount of the contribution or expenditure or \$1,000 whichever is greater, or if the violation involved only use of public resources, then a civil fine not to exceed \$1,000 for those offenses that are committed by specified administrators or board members. A first violation of these provisions by specified non-administrative level employees will not be subject to any fine, but a subsequent offense will be punished using the previous categories. Elementary Education Committee.

[HB 1363](#) (Ellebracht) - amends the Missouri Sunshine Law in Chapter 610, RSMo. It amends the definition of "public record" to include the social media pages of a public governmental body, including the personal social media pages of members of the governmental body in specified circumstances. The bill expands the requirements for preservation of communications through electronic means, including social media accounts, and requires the public entity to produce such records in usable electronic format.

[HB 1463](#) (Shaul) - preempts any political subdivision from imposing any restriction, tax, or prohibition upon the use of auxiliary containers including paper or plastic bags and other materials as defined in the bill. However, this bill does not apply to the use of auxiliary containers on county or city property, or any political subdivision's ordinance or agreement regarding recycling or solid waste disposal.

[HB 1608](#) (Coleman) - creates a class B misdemeanor offense for the unauthorized contribution of public funds to support or oppose ballot measures or candidates or to hire legislative lobbyists or provide anything of value to a person required to register as a legislative lobbyist.

[SB 730](#) (Sater) - provides that all public advertisements, notices, orders of publication, and legal publications required by law or directed by the court to be published in a newspaper, newspaper of general circulation, or daily newspaper shall additionally be posted on a website established and maintained by at least a majority of the newspapers whose principal place of business is in Missouri, at no additional cost to the state, to any political subdivision or to any person or entity thereof who shall be responsible for directing the notice be published. When any such notice is required to be published more than once, the newspaper may not charge for the second and successive insertions of the notice at a rate greater than eighty-five percent of the newspaper's regular local classified advertising rate. In first class counties and the City of St. Louis, boards are allowed to set rates which may be charged for public notices and advertisements. This act prohibits any such rates from exceeding rates otherwise permitted by this act

Public Safety Bills

[HB 1261](#) (Brown) - repeals Section 21.750, RSMo, in which the General Assembly preempted the entire field of firearms regulation. Political subdivisions will now be able to regulate firearms in any manner allowed by state and federal law and that is consistent with their police powers or charter.

[SB 572](#) (Rowden) - establishes a pilot program known as the "Community Crime Reduction Grant Program" which shall provide money to qualifying municipal police departments. The grants provided under this act shall be subject to appropriation by the General Assembly and shall be equally dispersed among qualifying municipal police departments. To qualify, a municipal police department must: Employ less than two officers per one thousand people; and Serve a city with a population of 75,000 inhabitants to 125,000 inhabitants that is located in a first class county. Grants received from the program shall be used as payment for the following: • Up to 50% of the cost of employing new law enforcement officers needed to raise the department's officer to population ratio to two officers per one thousand people; and • Up to 100% of the cost for law enforcement officers hired with grant money by the municipal police department to attend not less than one seminar relating to fair and impartial policing and one seminar relating to racial sensitivity at the University of Missouri Law Enforcement Training Institute. Municipal police departments receiving grants under the program shall submit an annual report with information as provided in the act to the Department of Public Safety on or before December 31 of each year in which the Department received the grant money. This act also creates the "Community Crime Reduction Program Fund" which shall consist of all gifts, bequests, transfers, and money appropriated by the General Assembly for the program. The state treasurer shall be the custodian of the Fund and may approve disbursements. Money from the Fund shall be used solely by the Department of Public Safety to issue grants to qualifying municipal police departments through the program. The Department of Public Safety shall administer the grants issued under the program and promulgate all rules and regulations for the administration of the program. The provisions in this act shall sunset after four years unless reauthorized by the General Assembly. Public Safety Committee.

[SB 781](#) (Brown) - allows any county and the municipalities therein to receive funds from the Missouri Law Enforcement Assistance Program.

[HB 1604](#) (Hicks) - modifies St. Louis City residency requirement for police officers. Judiciary Committee. **Hearing 1/14.**

[HB 1657](#) (Proudie) - prohibits requests to law enforcement or emergency services for assistance from being considered a public nuisance. Political subdivisions are prohibited from penalizing a resident, tenant, or landlord for a contact made for police or emergency assistance by or on behalf of a victim of abuse, crime, or an individual in an emergency, if the contact was reasonably believed to be necessary or is actually necessary. If a political subdivision attempts to enforce an ordinance in violation of this prohibition, the resident, tenant, or landlord may file civil suit against the political subdivision for various remedies including a cease and desist order, compensatory damages, attorney's fees, court costs, and other equitable relief.

[HB 1722](#) (Schnelting) - allows a concealed carry permit holder to lawfully carry firearms on public transportation, as defined in the bill. Anyone with a permit may also carry a firearm while traveling by bus. A person with or without a permit may transport a firearm in a nonfunctioning state by bus if ammunition is not available.

[SB 700](#) (Onder) - allows a concealed carry permit holder to lawfully carry firearms on public transportation, as defined in the bill. Anyone with a permit may also carry a firearm while traveling by bus. A person with or without a permit may transport a firearm in a nonfunctioning state by bus if ammunition is not available.

[SB 710](#) (Eigel) - provides that if, preceding the date of injury or death, an employee who is on active duty as a first responder is diagnosed with a mental impairment and such person was not previously diagnosed such an impairment, then the impairment shall presumptively be considered an occupational disease and shall be presumed to have arisen out of and in the course of employment. This presumption may be rebutted by the employer or insurer. One or more compensable mental impairment claims arising out of a single accident shall constitute a single injury. Furthermore, a mental impairment shall not be considered an occupational disease if it results from a disciplinary action, work evaluation, job transfer, layoff, demotion, promotion, termination, retirement, or similar action taken in good faith by the employer.

Taxation & Revenue Bills

[HB 1584](#) (Knight) - modifies ballot language required for the submission of a local use tax to voters by including language stating that the approval of the local use tax will eliminate the disparity in tax rates collected by local and out-of-state sellers by imposing the same rate on all sellers.

[HJR 36](#) (Holsman) - exempts personal property over 10 years old from property tax. Ways & Means Committee.

[HJR 64](#) (Ellebracht) - Constitutional amendment to freeze property taxes for low income seniors.

[HJR 74](#) (Washington) - Constitutional amendment to freeze the assessment values of any residential real property for the duration of time under which such property is located in a legally defined subdivision immediately adjacent to any subdivision that receives tax abatement. Ways & Means Committee.

[SB 526](#) (Emery) - modifies provisions relating to video service providers. No political subdivision shall adopt a linear foot fee to be charged to any entity that holds a franchise or video service authorization. The act modifies the definition of "gross revenues". Currently, franchise entities may collect a video service provider fee equal to not more than 5% of the gross revenues of a video service provider providing service in the geographic area of such franchise entity. Under the act, a franchise entity may collect a video service provider fee equal to not more than 5% of the first \$20 of the gross revenues charged to each customer of a video service provider that is providing video service in the geographic area of such franchise entity. A franchise entity or political subdivision shall not demand any additional fees, licenses, gross receipt taxes, or charges on a video service provider that holds a video service authorization, or an affiliate of such video service provider, with respect to:

- The placement, construction, or modification of facilities integrated with or attached to a video service network within the geographic area of the franchise entity or other political subdivision. The provision by such video service provider operator or affiliate of any service over a video service network within the geographic area of the franchise entity or other political subdivision. Finally, the act repeals the sunset date for the Uniform Small Wireless Facility Deployment Act. (Oppose). Commerce Committee. [Hearing 1/15](#).

[SB 529](#) (Cunningham) - modifies several provisions relating to use taxes.

USE TAX MAPPING Current law requires the Department of Revenue to create and maintain a mapping feature on its website that displays various sales tax information. This act requires such mapping feature to include use tax information. (Section 32.310)

ECONOMIC NEXUS Beginning October 1, 2020, this act provides that a vendor shall be considered to be engaging in business activities in this state if such vendor had cumulative gross receipts of at least \$100,000 from the sale of tangible personal property for the purpose of storage, use, or consumption in this state in the previous twelve-month period, as described in the act. Vendors meeting such criteria shall be required to collect and remit the use tax as provided under current law. Eighty percent of the use tax revenue collected from remittances made pursuant to this provision shall be deposited in the School Transportation Fund, which is created by the act, to fund school district transportation costs pursuant to current law. The remaining twenty percent of use tax revenues shall be deposited in the County Jail Reimbursement Fund, which is created by the act, to fund reimbursements made to counties for certain jail costs as provided under current law. (Section 144.605)

TAXING JURISDICTION DATABASE This act requires the Director of Revenue to provide and maintain a downloadable electronic database at no cost to the user of the database for taxing jurisdiction boundary changes and tax rates. Such databases may be directly provided by the Director, or may be provided by a third party as designated by the Director. Vendors shall not be liable for reliance upon erroneous data provided by the Director on tax rates, boundaries, or taxing jurisdiction assignments. (Section 144.637)

LOCAL USE TAX BALLOT LANGUAGE This act modifies ballot language required for the submission of a local use tax to voters by including language stating that the approval of the local use tax will eliminate the disparity in tax rates collected by local and out-of-state sellers by imposing the same rate on all sellers. (Section 144.757)

MARKETPLACE FACILITATORS By January 1, 2022, marketplace facilitators, as defined in the act, that meet the use tax economic nexus threshold established in the act shall register with the Department to collect and remit sales and use tax on sales made into the state through the marketplace facilitator's marketplace by or on behalf of a marketplace seller, as defined in the act. Such retail sales shall include those made directly by the marketplace facilitator as well as those made by marketplace sellers through the marketplace facilitator's marketplace. Marketplace facilitators shall report and remit sales and use tax collected under this act on a separate form developed by the Department. Marketplace facilitators properly collecting and remitting sales and use tax in a timely manner shall be eligible for any discount provided for under current law. Marketplace facilitators shall provide purchasers with a statement or invoice showing that the sales and use tax was collected and shall be remitted on the purchaser's behalf. No class action shall be brought against a marketplace facilitator in any court in this state on behalf of purchasers arising from or in any way related to an overpayment of sales or use tax collected on retail sales facilitated by a marketplace facilitator, regardless of whether that claim is characterized as a tax refund claim. If the Department audits a marketplace facilitator, it shall only audit such facilitator and not the marketplace sellers on behalf of whom the marketplace facilitator facilitates sales. Marketplace facilitators may apply to the Department for relief from liability for the failure to collect and remit the correct amount of sales or use tax on retail sales facilitated for marketplace sellers under certain circumstances, as described in the act. Relief from liability shall be a percentage of the sales and use tax collected by the marketplace facilitator, with such percentage being four percent for sales made during the 2022 calendar year, two percent for sales made during the 2023 calendar year, one percent for sales made during the 2024 calendar year, and zero percent thereafter. The Department may grant a waiver

from the requirements of the act if a marketplace facilitator demonstrates to the satisfaction of the Department that all of its marketplace sellers are already registered to collect and remit sales and use tax. If such waiver is granted, the sales or use tax due shall be collected and remitted by the marketplace seller. Local Government Committee.

[SB 579](#) (Cierpiot) - modifies several provisions relating to property tax assessments.

PROPERTY TAX REVENUE GROWTH LIMIT Current law allows for inflationary assessment growth for real and personal property within a political subdivision, with the inflationary growth factor limited to the actual assessment growth, exclusive of new construction and improvements, but not to exceed inflation or five percent, whichever is lower. This act modifies the inflationary growth factor to the actual assessment growth, exclusive of new construction and improvements, but not to exceed 80% of inflation or five percent, whichever is lower. (Section 137.073)

PROPERTY ASSESSMENT GROWTH Current law requires assessors to assess real property on January 1 of each odd numbered year, and to apply such assessed values in the following even-numbered year. This act provides that if the new assessed value exceeds the assessed value of the property from the previous odd-numbered year by more than 15%, half of such growth in assessed value shall be applied in the current odd-numbered year, and the remaining amount shall be applied in the following even numbered year. For residential real property, current law requires county assessors to make a physical inspection of a property prior to increasing the assessed valuation of such property by more than fifteen percent over the prior assessed valuation. Additionally, the St. Louis County assessor is required to send notice to property owners when increasing the assessed valuation by more than fifteen percent, and such property owners may request an interior inspection. This act applies such notification and physical inspection provisions to all counties in the state. (Section 137.115)

PROPERTY ASSESSMENT APPEAL This act provides that any assessed valuation for a parcel of residential real property that exceeds the previous assessed value for such property by more than 15% shall be automatically reviewed by the county board of equalization, regardless of whether the property owner has filed a timely appeal. The assessor shall notify the property owner in writing that the assessed valuation is being reviewed and that the property owner shall be entitled to be heard at the hearing of the board of equalization. (Section 137.180) For property assessment appeals to the boards of equalization in the City of St. Louis, St. Charles County, and St. Louis County, current law provides that the assessor shall have the burden to prove that the valuation does not exceed the true market value of the property. Additionally, if a physical inspection of a property is required for assessment, the assessor shall have the burden to prove that such inspection was performed. If the assessor fails to provide sufficient evidence that the inspection was performed, the property owner shall prevail on the appeal as a matter of law. This act applies such provisions to all counties. Ways & Means Committee.

[SB 659](#) (Arthur) - Various Tax Provisions -

USE TAX ECONOMIC NEXUS Beginning January 1, 2022, this act provides that all vendors without a physical presence in this state making sales of tangible personal property for delivery into this state shall be required to collect and remit any use tax due as if such vendor maintained a physical presence in the state. This provision shall only apply to vendors who make at least \$100,000 in gross revenue from the delivery of tangible personal property into this state in the previous or current calendar year. No obligation to collect and remit use tax under this provision shall be applied prior to January 1, 2022. The use tax collections made under the provisions of this act shall be deposited in the General Revenue Fund as provided under current law. (Section 144.612)

MARKETPLACE FACILITATORS By January 1, 2022, marketplace facilitators, as defined in the act, that meet the use tax economic nexus threshold established in the act shall register with the Department to

collect and remit sales and use tax on sales made into the state through the marketplace facilitator's marketplace by or on behalf of a marketplace seller, as defined in the act. Such retail sales shall include those made directly by the marketplace facilitator as well as those made by marketplace sellers through the marketplace facilitator's marketplace. Sales made through a marketplace facilitator shall be deemed to be consummated at the location to which the item is shipped or delivered, or at which possession is taken by the purchaser. Marketplace facilitators shall report and remit sales and use tax collected under this act on a separate form developed by the Department. Marketplace facilitators properly collecting and remitting sales and use tax in a timely manner shall be eligible for any discount provided for under current law. Marketplace facilitators shall provide purchasers with a statement or invoice showing that the sales and use tax was collected and shall be remitted on the purchaser's behalf. No class action shall be brought against a marketplace facilitator in any court in this state on behalf of purchasers arising from or in any way related to an overpayment of sales or use tax collected on retail sales facilitated by a marketplace facilitator, regardless of whether that claim is characterized as a tax refund claim. If the Department audits a marketplace facilitator, it shall only audit such facilitator and not the marketplace sellers on behalf of whom the marketplace facilitator facilitates sales. Marketplace facilitators may apply to the Department for relief from liability for the failure to collect and remit the correct amount of sales or use tax on retail sales facilitated for marketplace sellers under certain circumstances, as described in the act. Relief from liability shall be a percentage of the sales and use tax collected by the marketplace facilitator, with such percentage being four percent for sales made during the 2022 calendar year, two percent for sales made during the 2023 calendar year, one percent for sales made during the 2024 calendar year, and zero percent thereafter. The Department may grant a waiver from the requirements of the act if a marketplace facilitator demonstrates to the satisfaction of the Department that all of its marketplace sellers are already registered to collect and remit sales and use tax. If such waiver is granted, the sales or use tax due shall be collected and remitted by the marketplace seller.

The school and Show Me Green sales tax holidays are modified by repealing the ability for political subdivisions to opt out of the sales tax holidays, and by defining how the sales tax exemption applies to the purchase or return of certain items.

[SB 675](#) (Luetkmeyer) - provides that the assessed valuation for residential real property shall not exceed the previous assessed valuation for such property, exclusive of new construction and improvements, by more than five percent or the percent increase in inflation, whichever is greater.

[SB 705](#) (Koenig) - provides that the assessed valuation for residential real property shall not exceed the previous assessed valuation for such property, exclusive of new construction and improvements, by more than five percent or the percent increase in inflation, whichever is greater.

[SJR 41](#) (Koenig) - allows the growth in assessed values to be limited by law.

[SJR 43](#) (Eigel) - constitutional amendment providing that the assessed valuation for residential real property shall not exceed the previous assessed valuation for such property by more than the percent increase in inflation.

[SJR 44](#) (Eigel) - eliminates personal property tax (Oppose)

[SJR 45](#) (Cierpoit) - constitutional amendment would provide that, in any county or other political subdivision which levies a property tax, sales tax, or any other tax solely for a specific purpose, and whose boundaries overlap the boundaries of another political subdivision which also levies a property tax, sales tax, or any other tax solely for the same purpose, persons residing in such overlapping boundaries shall only be required to remit such tax to one taxing jurisdiction. The local election authority shall submit to the voters living within the overlapping boundaries the question of from which

political subdivision such voters shall continue to receive services from and to which political subdivision the voters shall remit the tax.

[SJR 48](#) (Luetkmeyer) - allows the growth in assessed values to be limited by law.

Transportation & Vehicle Bills

[HB 1433](#) (Kendrick) - would increase the current gas tax of \$0.17 per gallon to \$0.19 per gallon on January 1, 2021. Additionally, this bill would then reduce the gas tax to \$0.18 per gallon on January 1, 2031 for all years thereafter.

[HB 1476](#) (Runions) - Beginning January 1, 2021, this bill increases the gas tax to 19 cents per gallon with a two cent per year increase until the total increased gas tax rate is 23 cents per gallon.

[HB 1477](#) (Butz) - will increase the tax on motor fuel by 10 cents from its current level of 17 cents per gallon to 27 cents per gallon using incremental increases of two cents per gallon beginning January 1, 2021 and ending on January 1, 2025. It would also require alternative fuels to be taxed at a substantially similar rate approved by the Department of Agriculture beginning January 1, 2027.

[HB 1754](#) (Spencer) - prohibits the use of automated traffic enforcement systems to establish evidence a motor vehicle or its operator has committed a traffic-related offense, or to impose or collect any civil or criminal fine, fee, or penalty for such offense. As specified in the bill, the term "automated traffic enforcement system" does not include systems or devices that would qualify as a "mobile video recorder" under the Sunshine Law.

[HJR 71](#) (Messenger) - Constitutional amendment to approve the construction of toll roads.

[SB 539](#) (Libla) - increases the tax on gasoline from 17 to 19 cents per gallon, and the tax on diesel fuel from 17 to 23 cents per gallon. Beginning one year after the effective date of the act, the taxes on gasoline, diesel fuel, and motor fuels other than gasoline or diesel fuel shall be adjusted annually for inflation. Transportation Committee.

[SB 641](#) (Onder) - Current law provides that, of the 4% statutory sales and use tax rate, 1% is provided for education and 3% is deposited in the General Revenue Fund. This act requires that 0.5% of the 3% deposited in the General Revenue Fund shall instead be deposited into the State Road Fund. The remaining 2.5% shall continue to be deposited into the General Revenue Fund. The act phases in the amount deposited into the State Road Fund over a period of five years, with an increase of 0.1% each year.

[SB 709](#) (Eigel) - prohibits the use of automated traffic enforcement systems to establish evidence a motor vehicle or its operator has committed a traffic-related offense, or to impose or collect any civil or criminal fine, fee, or penalty for such offense. As used in the act, the term "automated traffic enforcement system" does not include systems or devices that would qualify as a "mobile video recorder" under the Sunshine Law