

FIRST EXTRAORDINARY SESSION OF THE
FIRST REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]

HOUSE BILL NO. 1

100TH GENERAL ASSEMBLY

2537H.04T

2019

AN ACT

To repeal section 144.025, RSMo, and to enact in lieu thereof one new section relating to sales and use tax allowances for certain items.

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

Section A. Section 144.025, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 144.025, to read as follows:

144.025. 1. Notwithstanding any other provisions of law to the contrary, in any retail sale other than retail sales governed by subsections 4 and 5 of this section, where any article on which sales or use tax has been paid, credited, or otherwise satisfied or which was exempted or excluded from sales or use tax is taken in trade as a credit or part payment on the purchase price of the article being sold, the tax imposed by sections 144.020 and 144.440 shall be computed only on that portion of the purchase price which exceeds the actual allowance made for the article **or articles** traded in or exchanged, if there is a bill of sale or other record showing the actual allowance made for the article **or articles** traded in or exchanged. Where the purchaser of a motor vehicle, trailer, boat or outboard motor receives a rebate from the seller or manufacturer, the tax imposed by sections 144.020 and 144.440 shall be computed only on that portion of the purchase price which exceeds the amount of the rebate, if there is a bill of sale or other record showing the actual rebate given by the seller or manufacturer. Where the trade-in or exchange allowance plus any applicable rebate exceeds the purchase price of the purchased article there shall be no sales or use tax owed. This section shall also apply to motor vehicles, trailers, boats, and outboard motors sold by the owner or holder of the properly assigned

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.

16 certificate of ownership if the seller purchases or contracts to purchase a subsequent motor
17 vehicle, trailer, boat, or outboard motor within one hundred eighty days before or after the date
18 of the sale of ~~[the original article and a bill]~~ **one or more previously owned motor vehicles,**
19 **trailers, boats, or outboard motors, or any combination thereof, and all related bills** of sale
20 showing the paid sale price ~~[is]~~ **are** presented to the department of revenue at the time of
21 licensing. A copy of ~~[the bill]~~ **all such bills** of sale shall be left with the licensing office. Where
22 the subsequent motor vehicle, trailer, boat, or outboard motor is titled more than one hundred
23 eighty days after the sale of ~~[the original motor vehicle, trailer, boat, or outboard motor]~~ **one or**
24 **more motor vehicles, trailers, boats, or outboard motors, or any combination thereof,** the
25 allowance pursuant to this section shall be made if the person titling such article establishes that
26 the purchase or contract to purchase was finalized prior to the expiration of the one hundred
27 eighty-day period **and presents to the department of revenue a copy of all such bills of sale.**

28 2. As used in this section, the term "boat" includes all motorboats and vessels, as the
29 terms "motorboat" and "vessel" are defined in section 306.010.

30 3. As used in this section, the term "motor vehicle" includes motor vehicles as defined
31 in section 301.010, recreational vehicles as defined in section 700.010, or a combination of a
32 truck as defined in section 301.010, and a trailer as defined in section 301.010.

33 4. The provisions of subsection 1 of this section shall not apply to retail sales of
34 manufactured homes in which the purchaser receives a document known as the "Manufacturer's
35 Statement of Origin" for purposes of obtaining a title to the manufactured home from the
36 department of revenue of this state or from the appropriate agency or officer of any other state.

37 5. Any purchaser of a motor vehicle or trailer used for agricultural use by the purchaser
38 shall be allowed to use as an allowance to offset the sales and use tax liability towards the
39 purchase of the motor vehicle or trailer any grain or livestock produced or raised by the
40 purchaser. The director of revenue may prescribe forms for compliance with this subsection.

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