

SENATE BILL NO. 937

95TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR JUSTUS.

Read 1st time February 11, 2010, and ordered printed.

TERRY L. SPIELER, Secretary.

5007S.01I

AN ACT

To repeal section 144.049, RSMo, and to enact in lieu thereof one new section relating to a sales tax holiday.

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

Section A. Section 144.049, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 144.049, to read as follows:

144.049. 1. For purposes of this section, the following terms mean:

2 (1) "Clothing", any article of wearing apparel, including footwear, intended
3 to be worn on or about the human body. The term shall include but not be
4 limited to cloth and other material used to make school uniforms or other school
5 clothing. Items normally sold in pairs shall not be separated to qualify for the
6 exemption. The term shall not include watches, watchbands, jewelry, handbags,
7 handkerchiefs, umbrellas, scarves, ties, headbands, or belt buckles; and

8 (2) "Personal computers", a laptop, desktop, or tower computer system
9 which consists of a central processing unit, random access memory, a storage
10 drive, a display monitor, and a keyboard and devices designed for use in
11 conjunction with a personal computer, such as a disk drive, memory module,
12 compact disk drive, daughterboard, [digitalizer] **digitizer**, microphone, modem,
13 motherboard, mouse, multimedia speaker, printer, scanner, single-user hardware,
14 single-user operating system, soundcard, or video card;

15 (3) "School supplies", any item normally used by students in a standard
16 classroom for educational purposes, including but not limited to textbooks,
17 notebooks, paper, writing instruments, crayons, art supplies, rulers, book bags,
18 backpacks, handheld calculators, chalk, maps, and globes. The term shall not
19 include watches, radios, CD players, headphones, sporting equipment, portable
20 or desktop telephones, copiers or other office equipment, furniture, or
21 fixtures. School supplies shall also include computer software having a taxable
22 value of three hundred fifty dollars or less.

23 2. In each year beginning on or after January 1, 2005, there is hereby
24 specifically exempted from state sales tax law all retail sales of any article of
25 clothing having a taxable value of one hundred dollars or less, all retail sales of
26 school supplies not to exceed fifty dollars per purchase, all computer software
27 with a taxable value of three hundred fifty dollars or less, **all retail sales of**
28 **bicycles with a taxable value of three hundred dollars or less**, and all
29 retail sales of personal computers or computer peripheral devices not to exceed
30 three thousand five hundred dollars, during a three-day period beginning at 12:01
31 a.m. on the first Friday in August and ending at midnight on the Sunday
32 following.

33 3. If the governing body of any political subdivision adopted an ordinance
34 that applied to the 2004 sales tax holiday to prohibit the provisions of this section
35 from allowing the sales tax holiday to apply to such political subdivision's local
36 sales tax, then, notwithstanding any provision of a local ordinance to the
37 contrary, the 2005 sales tax holiday shall not apply to such political subdivision's
38 local sales tax. However, any such political subdivision may enact an ordinance
39 to allow the 2005 sales tax holiday to apply to its local sales taxes. A political
40 subdivision must notify the department of revenue not less than forty-five
41 calendar days prior to the beginning date of the sales tax holiday occurring in
42 that year of any ordinance or order rescinding an ordinance or order to opt out.

43 4. This section shall not apply to any sales which take place within the
44 Missouri state fairgrounds.

45 5. This section applies to sales of items bought for personal use only.

46 6. After the 2005 sales tax holiday, any political subdivision may, by
47 adopting an ordinance or order, choose to prohibit future annual sales tax
48 holidays from applying to its local sales tax. After opting out, the political
49 subdivision may rescind the ordinance or order. The political subdivision must
50 notify the department of revenue not less than forty-five calendar days prior to
51 the beginning date of the sales tax holiday occurring in that year of any ordinance
52 or order rescinding an ordinance or order to opt out.

53 7. This section may not apply to any retailer when less than two percent
54 of the retailer's merchandise offered for sale qualifies for the sales tax
55 holiday. The retailer shall offer a sales tax refund in lieu of the sales tax holiday.

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