

**A SAMPLE CITY USE TAX ORDINANCE**

**(This sample ordinance is to be considered only as a guide for local adoption)**

**(VERSION "B" – For Use by Municipalities IN St. Louis County)**

BILL NO. \_\_\_\_\_

ORDINANCE NO. \_\_\_\_\_

An ordinance of the City of \_\_\_\_\_, Missouri, imposing a use tax for general revenue purposes at the rate of \_\_\_\_\_ percent (\_\_\_\_%) for the privilege of storing, using or consuming within the City any article of tangible personal property pursuant to the authority granted by and subject to the provisions of Sections 144.600 through 144.761 RSMo.; providing for the use tax to be repealed, reduced or raised in the same amount as any City sales tax is repealed, reduced or raised; and providing for submission of the proposal to the qualified voters of the City for their approval at the (Special) (General) (Primary) election called and to be held in the City on \_\_\_(Day)\_\_\_, \_\_\_(Date)\_\_\_, 19 \_\_\_\_.

WHEREAS, the City has imposed local sales taxes, as defined in Section 32.085 RSMo., at the rate of \_\_\_\_\_%; and

WHEREAS, the City is authorized, under Section 144.757 RSMo., to impose a local use tax at a rate equal to the rate of the local sales taxes in effect in the City; and

WHEREAS, the proposed City use tax cannot become effective until approved by the voters at a municipal, county or state general, primary or special election;

NOW, THEREFORE, Be it Ordained by the (Council) (Board of Aldermen) (Board of Trustees) of (City), as follows:

Section 1. Pursuant to the authority granted by, and subject to, the provisions of Sections 144.600 through 144.761 RSMo., a use tax for general revenue purposes is imposed for the privilege of storing, using or consuming within the City any article of tangible personal property. This tax does not apply with respect to the storage, use or consumption of any article of tangible personal property purchased, produced or manufactured outside this state until the transportation of the article has finally come to rest within this City or until the article has become commingled with the general mass of property of this City.

Section 2. The rate of the tax shall be \_\_\_\_ percent (\_\_\_\_%). If any City sales tax is repealed or the rate thereof is reduced or raised by voter approval, the City use tax rate shall also be deemed to be repealed, reduced or raised by the same action repealing, reducing or raising the City sales tax.

Section 3. Pursuant to Section 144.757, the use tax revenue shall be distributed pursuant to subsection 4 of section 94.890 RSMo. [The municipality shall select one of

the distribution options permitted in subsection 4 of Section 94.890, RSMo., for distribution of all municipal use taxes.]

Section 4. This tax shall be submitted to the qualified voters of     (City)    , Missouri, for their approval, as required by the provisions of Section 144.757 RSMo., at the (Special)(General)(Primary) election hereby called and to be held in the City on (Day of Week), the      day of                     , 19   . The ballot of submission shall contain substantially the following language:

Shall the municipality be authorized to impose a local use tax at the same rate as the local sales tax by a vote of the governing body, provided that if any local sales tax is repealed, reduced or raised by voter approval, the respective local use tax shall also be repealed, reduced or raised by the same action? A use tax return shall not be required to be filed by persons whose purchases from out of state vendors do not in total exceed two thousand dollars in any calendar year.

Yes

No

If you are in favor of the question, place an "X" in the box opposite "Yes." If you are opposed to the question, place an "X" in the box opposite "No."

Section 5. If the ballots are submitted on August 6, 1996, and if the majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of the proposal, then the ordinance and any amendment thereto shall be in effect October 1, 1996, provided the director of revenue receives notice of adoption of the city use tax on or before August 16. If the ballots are submitted after December 31, 1996 and if a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of the proposal, then the ordinance and any amendments thereto shall be in effect on the first day of the calendar quarter which begins at least forty-five days after the director of revenue receives notice of adoption of the city use tax.

Section 6. Within ten (10) days after the approval of this ordinance by the qualified voters of     (City)    , Missouri, the City Clerk shall forward to the Director of Revenue of the State of Missouri by United States registered mail or certified mail, a certified copy of this ordinance together with certifications of the election returns and accompanied by a map of the city clearly showing the boundaries thereof.

Section 7. This Ordinance shall be in full force and effect from and after the date of its passage and approval.