



**Rules of  
Department of Revenue  
Division 10—Director of Revenue  
Chapter 11—County Sales Tax**

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## Title 12—DEPARTMENT OF REVENUE

### Division 10—Director of Revenue Chapter 11—County Sales Tax

#### 12 CSR 10-11.030 Effective Date

*PURPOSE: This rule specifies the effective date of a county sales tax and the effective date when a county imposes a county sales tax on domestic utilities.*

(1) After the director receives notice of the adoption of the county sales tax prior to November 15 of any calendar year, the tax shall become effective on January 1 of the immediately succeeding calendar year.

(2) The tax becomes effective January 1 of the immediately succeeding calendar year following notification to the director when a county adopts a county sales tax on domestic utilities under the provisions of sections 67.500—67.545, RSMo.

*Auth: sections 67.515 and 67.706, RSMo (1986). Original rule filed Sept. 7, 1984, effective Jan. 12, 1985.*

#### 12 CSR 10-11.040 Tax Imposed

*PURPOSE: This rule sets forth the requirements for the seller when reporting and remitting the county sales tax to the director.*

(1) The county sales tax is imposed on sellers for the privilege of engaging in the business of selling tangible personal property or rendering taxable services. When reporting and remitting county sales tax to the director, the seller is required to send one (1) check in payment for all sales taxes collected.

*Auth: sections 67.515 and 67.706, RSMo (1986). Original rule filed Sept. 7, 1984, effective Jan. 12, 1985.*

#### 12 CSR 10-11.050 Location of Machine Determines

*PURPOSE: This rule specifies that the location of vending machines determines the applicability of county sales tax.*

(1) The location of a vending machine, not the location of the owner of the vending machine, determines the applicability of county sales tax. All vending machines located within the county boundaries imposing a county sales tax

are subject to the county sales tax of the county in which they are located.

*Auth: sections 67.515 and 67.706, RSMo (1986). Original rule filed Sept. 7, 1984, effective Jan. 12, 1985.*

#### 12 CSR 10-11.060 State Sales Tax Rules Apply

*PURPOSE: This rule specifies that all rules pertaining to state sales tax shall also apply to the county sales tax unless stated otherwise.*

(1) All sales tax rules pertaining to section 144.010—144.510, RSMo shall also apply to the county sales tax sections 67.500—67.580 and 67.700—67.727, RSMo unless specifically stated otherwise.

*Auth: sections 67.515 and 67.706, RSMo (1986). Original rule filed Sept. 7, 1984, effective Jan. 12, 1985.*

#### 12 CSR 10-11.080 Seller Entitled

*PURPOSE: This rule indicates the seller is entitled to a deduction for the timely payment of taxes.*

(1) For every remittance of tax made on or before the due date required, the seller is entitled to deduct and retain an amount equal to two percent (2%) for timely payment. Note: A purchaser is not entitled to this deduction.

(2) Example. Mr. C operates a retail store and the amount of tax levied and imposed is between fifteen dollars (\$15) and two hundred fifty dollars (\$250) per month. Mr. C files a quarterly return due on or before the thirtieth day of the month following each quarter. If the return is paid and mailed on or before the thirtieth, Mr. C is entitled to the two percent (2%) discount. The postmark date is prima facie evidence of timely payment.

*Auth: sections 67.515 and 67.706, RSMo (1986). Original rule filed Sept. 7, 1984, effective Jan. 12, 1985.*

#### 12 CSR 10-11.090 When County Tax Applies

*PURPOSE: This rule sets forth guidelines to aid the taxpayer in the determination as to when the county sales tax applies, interprets and applies section 67.520.5.(1), RSMo (1986).*

(1) For the purpose of the county sales tax law, all retail sales are presumed to have been consummated at the place of business of the seller/retailer without regard to the location or point of passage of title. The privilege of engaging in the business of selling tangible personal property or rendering taxable services within taxing counties subjects the seller to the county sales tax law.

(2) The sale is subject to county sales tax whenever a seller makes a taxable sale to a purchaser at the seller's place of business or when the order is taken by mail, telephone or by a salesman, even though the property is to be delivered from the seller's place of business located within the taxing jurisdiction to the customer at a point in Missouri outside the limits of the taxing jurisdiction. The sale is consummated at the seller's location, not at the point of delivery.

(3) Example. Mr. Stone is a customer of the Brown Company, a Missouri seller located in Sun County, a local taxing jurisdiction. Mr. Stone orders merchandise from Brown Company for delivery to his place of business outside the boundaries of Sun County. Brown Company delivers the merchandise from the stock of goods on hand to Mr. Stone. Brown Company is subject to Sun County's sales tax on the merchandise sold to Mr. Stone.

(4) Example. The Mighty Milk Company is located in Sun County, a local taxing jurisdiction. Mighty Milk has route salesmen and independent salesmen who sell milk in Sun County and in neighboring counties. Some of the neighboring counties have their own local tax and some do not. All sales made by Mighty Milk's route salesmen and the independent salesmen are subject to Sun County's county sales tax since the sales are considered to be consummated at the place of business from which the salesmen work.

*Auth: sections 67.515 and 67.706, RSMo (1986). Original rule filed Sept. 7, 1984, effective Jan. 12, 1985.*

*In Fabick and Company v. Schaffner, 492 SW2d 737 (1973) the court held that because the taxpayer had a "place of business" within the city limits all sales were subject to local tax including equipment delivered from seller's place of business in Jefferson City to a customer outside the city; deliveries from a point outside the city to another point outside the city but within the state, and sales delivered from outside the state to a customer inside the state either within or without Jefferson City.*

**12 CSR 10-11.100 Determining Which Tax Applies**

*PURPOSE: This rule specifies the applicability of the county sales tax when a seller has more than one (1) place of business and when the seller does not have a recognizable physical facility from which s/he is operating the business.*

(1) If a seller has more than one (1) place of business in Missouri which participates in a sale, the local tax of the location where the initial order was taken shall apply. For the purposes of this rule, place of business shall include, but not be limited to, sales offices, administrative offices, catalog stores, retail stores, warehouses and factories. Where the seller has no recognizable physical facility, the place of business of the seller shall be where the purchaser actually obtains possession.

(2) Example. The Story Company has a sales office in Tall County and a combination sales office and warehouse in Short County. Both Tall County and Short County have a county sales tax. The Story Company takes an order at its Tall County location from a customer located in Long County which also has a county sales tax. The Story Company ships the order from its warehouse in Short County to the customer in Long County. Tall County's county sales tax would apply as the initial order was taken in Tall County.

*Auth: sections 67.515 and 67.706, RSMo (1986). Original rule filed Sept. 7, 1984, effective Jan. 12, 1985.*

**12 CSR 10-11.120 Items Taken from Inventory**

*PURPOSE: This rule specifies that the taxpayer is liable for county sales tax where items purchased under an exemption certificate are subsequently withdrawn from inventory.*

(1) When a person who purchases items under an exemption certificate withdraws items from inventory for personal use, the items are subject to county sales tax if they were purchased within a county imposing a county sales tax regardless of where the items are used. The taxpayer must report the county sales tax due on his/her next return.

(A) Example. Mr. Law operates an antique store in Blue County, a county which does not have a county sales tax. Mr. Law purchases three (3) antique chairs from a dealer located in Hill County and issues the dealer an

exemption certificate. Mr. Law decides to withdraw one (1) chair from his inventory and uses it in his home. Hill County has a county sales tax. Since the chair was purchased in Hill County, Mr. Law must remit both state and county sales tax, based on the cost of the chair, on his next return.

(B) Example. Mr. Brown operates an appliance store in Straw County, a county which has a county sales tax. Mr. Brown purchases all of his appliances from a company located in Light County which also has a county sales tax. Mr. Brown issues an exemption certificate to his supplier for all of his purchases. Mr. Brown decides to take a stove out of inventory for use in his home. Mr. Brown must remit state and county sales tax based on the cost of the stove on his next return. Light County's county sales tax would apply as the stove was purchased in Light County. Should Mr. Brown use the stove for one (1) year in his home and subsequently return the used stove to his stock of goods, sales tax would be due on the selling price of the stove when resold to a subsequent purchaser. In this situation, Straw County's county sales tax would apply.

*Auth: sections 67.515 and 67.706, RSMo (1986). Original rule filed Sept. 7, 1984, effective Jan. 12, 1985.*

**12 CSR 10-11.130 County Tax Applies—Delivery from Outside the State**

*PURPOSE: This rule indicates that delivery from outside Missouri does not remove the seller's liability for county sales tax unless the sale is made by an out-of-state vendor without an office in Missouri.*

(1) When a Missouri seller makes a taxable sale to a Missouri purchaser and the property is to be delivered from a point outside Missouri to a point either within or beyond the limits of a taxing county, the sale is subject to the county sales tax.

(A) Example. Mr. Strong is a customer of the Barbell Company, a Missouri seller located in Sun County, a local taxing jurisdiction. Mr. Strong orders merchandise from the Barbell Company for delivery at his place of business and home located outside the corporate county limits of Sun County. Barbell Company orders the merchandise for Mr. Strong from a manufacturing company located outside the state of Missouri. The manufacturing company ships the merchandise by common carrier directly to Mr. Strong's place of business. Barbell Company is subject

to Sun County's county sales tax on the merchandise sold to Mr. Strong.

(B) Example. Mr. Mudd, a Missouri purchaser, lives outside the corporate county limits of Sun County. He places an order with Mr. Kleen, a salesman for the Dazzle Company, a vendor located outside of the state of Missouri. Mr. Kleen works from his office in his home in Sun County. The Dazzle Company does not have any other office or property in the state of Missouri. The Dazzle Company fills the order from its warehouse located outside the state of Missouri and ships the merchandise directly to Mr. Mudd's home. The Dazzle Company is subject to Sun County's sales tax on the merchandise sold to Mr. Mudd.

(C) Example. Ms. Stone, a Missouri purchaser located in Sun County, has a mail-order catalog from Rock Company, a vendor located outside the state of Missouri with no office, property or salesmen in Missouri. Ms. Stone sends an order in the mail to Rock Company for merchandise to be delivered to her place of business by common carrier. Ms. Stone is subject to the Missouri use tax if the merchandise is for storage, use or consumption. The sale is not subject to county sales tax.

(D) Example. Mr. LeBeau, a Missouri purchaser, located in Sun County, contacts Mr. Dudley, a salesman for the Kam Company, a vendor located outside Missouri without an office in the state of Missouri. Mr. Dudley calls on Mr. LeBeau at Mr. LeBeau's place of business. Mr. Dudley takes the order for merchandise and returns to his out-of-state location from which the merchandise is then shipped to Mr. LeBeau's place of business. The Kam Company is not subject to Sun County's sales tax on the merchandise sold to Mr. LeBeau because the Kam Company has no place of business within Sun County.

*Auth: sections 67.515 and 67.706, RSMo (1986). Original rule filed Sept. 7, 1984, effective Jan. 12, 1985.*

**12 CSR 10-11.140 Application of County Sales Tax to Rental or Leasing Receipts**

*PURPOSE: This rule indicates the county sales tax law as it applies to rental or leasing receipts when the tax was not paid at the time of purchase.*

(1) Persons renting and leasing tangible personal property on which Missouri state sales tax was not paid at the time of purchase are subject to the county sales tax on the rental and leasing receipts if the rented or leased properties are used or installed within a county imposing a county sales tax for a period of over thirty (30) days, regardless as to where

the renter or lessee is located. Persons renting and leasing items for periods of thirty (30) calendar days or less are subject to the county sales tax on the lease or rental receipts imposed by the county in which the renter or lessor is located when it cannot readily be determined where the items will be used.

(2) If, at a later date, the renter or lessee decides to purchase the property which s/he previously had been renting or leasing, the seller, renting or leasing, is subject to the county sales tax based on the seller's location since the sale is consummated at his/her location. If the seller has more than one (1) location, the taxable situs will be the location where the initial order was taken. No deduction or allowance of any kind is to be allowed for any county sales tax previously paid on rent or leased receipts.

(3) When a customer within a taxing county in Missouri rents or leases tangible personal property from an out-of-state seller, the seller is subject to the appropriate county sales tax imposed by the county in which the renter or lessee will use or install the property. These transactions are not sales at retail but constitute taxable services.

*Auth: sections 67.515 and 67.706, RSMo (1986). Original rule filed Sept. 7, 1984, effective Jan. 12, 1985.*

#### 12 CSR 10-11.150 Refund Procedure

*PURPOSE: This rule sets forth the requirements of a claim for overpayment and whether a refund or credit is appropriate.*

(1) Where a taxpayer claims an overpayment as a result of clerical error or mistake, s/he must file a written claim in such manner as prescribed by the director of revenue within two (2) years of the overpayment. No claim will be considered unless filed within that time.

(2) Before any claim for refund is approved, it must be shown, where applicable, that the seller has returned to the purchaser the amount claimed if the purchaser was charged this amount.

(3) In cases where a claim for credit is approved, the director of revenue will issue a credit memorandum in the amount of the overpayment. The credit may then be applied by the taxpayer to any existing tax liability or to his/her subsequent tax liability. Note: In no case should the taxpayer take credit for any overpayment unless prior approval has been obtained from the director of revenue.

(4) Where there is not subsequent liability, as where a person has paid a tax and it is later discovered that there was no liability and the person is no longer in business, the person should make a claim for refund as provided in sections (1)—(3). The refund, if allowed, will be paid out of funds deposited in the county trust fund.

(5) See 12 CSR 10-3.516—12 CSR 10-3.528.

*Auth: sections 67.515 and 67.706, RSMo (1986). Original rule filed Sept. 7, 1984, effective Jan. 12, 1985.*

#### 12 CSR 10-11.160 Motor Vehicles

*PURPOSE: This rule specifies that sellers engaged in selling motor vehicles are not liable for and should not collect the tax.*

(1) Sellers engaged in selling motor vehicles should not collect the state sales tax since the purchaser of the property is required by law to remit state sales tax to the Bureau of Motor Vehicle Registration, Missouri Department of Revenue, at the time the property is titled and registered or show sufficient evidence that state sales tax is not due. The same holds true for county sales tax in that the tax is payable at the time of titling, provided the purchaser's address is within the county boundaries of a county imposing a county sales tax.

*Auth: sections 67.515 and 67.706, RSMo (1986). Original rule filed Sept. 7, 1984, effective Jan. 12, 1985.*

#### 12 CSR 10-11.180 Delinquent Tax

*PURPOSE: This rule specifies that the delinquent county sales tax shall be collected in the same manner as state sales tax.*

(1) The collection of delinquent county sales tax will be conducted in the same manner as provided for in sections 144.010—144.510, RSMo (1986) and more specifically, in sections 144.210, 144.220, 144.230, 144.240, 144.250 and 144.261, RSMo (1986).

*Auth: sections 67.515 and 67.706, RSMo (1986). Original rule filed Sept. 7, 1984, effective Jan. 12, 1985.*

#### 12 CSR 10-11.190 Erroneous Business Locations—Transfers from County-to-County

*PURPOSE: This rule sets forth the procedures for making transfers from county-to-county when it has been determined that a business has reported the county sales tax incorrectly.*

(1) When a business files information with the department indicating a business location, the department will take this information in good faith. Upon receiving proof that the business location is in error, the department will correct the error in a prospective manner only.

(A) Example. On January 1, 1982 a business, upon application for a license, identifies the business location as County A. On July 1, 1985 the department is notified that the business location is actually in County B. The department will correct its records to reflect the business is located in County B effective July 1, 1985.

(2) If a business has filed information with the department indicating a business location and through the department's error the business location is improperly coded, the department, after identifying the error or upon notification, will correct the error in a prospective manner as well as correct distribution errors retroactively for a period not to exceed two (2) years.

(A) Example. On January 1, 1982 a business, upon application for a license, identifies the business location as County B and the department codes the business as located in County A. On July 1, 1985 the department discovers its error. The department will recode the business to collect and remit County B sales tax effective July 1, 1985. Additionally, the department will perform a reconciliation to adjust County A's distribution and redistribute the revenue in question to County B.

(3) The Department of Revenue will process and redistribute the funds as fast as administratively possible to fully complete the transfer.

(A) Example. County B is to receive a redistribution of funds from County A for twenty thousand dollars (\$20,000). County A's monthly local distribution for this particular month is only fifteen thousand dollars (\$15,000). County A will receive no distribution check for this month and the next month's distribution will be reduced by five thousand dollars (\$5000).

(4) If notified by a local taxing jurisdiction that an account is coded with the improper location, the department will correspond with the other affected local taxing jurisdiction to

local taxing jurisdiction for which the business is coded agrees that the coding is improper, the department will change the location. If the local taxing jurisdiction disagrees that the coding is improper, it has fifteen (15) days to correspond with the department. The department will inform the affected parties in the disagreement that there is a disagreement. If the disagreeing parties desire and upon their request, the department will hear their complaint and make a final determination of the correct location of the business.

(5) When the department learns a business location is improperly coded, it will notify the taxpayer that the taxpayer has filed in error and the taxpayer should file amended returns for the statutory periods involved.

(6) This rule should not be construed to be in contravention of section 144.100, RSMo which allows a taxpayer to file returns to amend the original return.

(A) Example. On January 1, 1982 a business, upon application for a license, identifies the business location as County A. On July 1, 1985 the business files returns amending its location to County B effective January 1, 1982. The department will process the amended returns and make the resulting changes in distribution.

*Auth: sections 67.515 and 67.706, RSMo (1986). Original rule filed Sept. 7, 1984, effective Jan. 12, 1985. Amended: Filed July 2, 1986, effective Dec. 11, 1986.*

**12 CSR 10-11.200 Adjustment to Decennial Census by St. Louis County Area**

*PURPOSE: This rule lists the requirements for adjustments to the decennial census by political subdivisions in the St. Louis County area.*

(1) The population used for distribution of local moneys shall be either—

(A) The latest federal decennial census; or

(B) The latest census which determines the total population of the county and all its political subdivisions.

(2) In the event that the latest census is amended by the United States Census Bureau, due to a correction in the original census, the Department of Revenue will amend the population for distribution purposes under the following conditions:

(A) Notification of the correction to the last decennial census must be received from the county and/or political subdivision which will benefit from the correction in the census;

(B) Notification must be accompanied by the official written notification from the United States Census Bureau of the population change;

(C) The notification from the Census Bureau must indicate whether the adjustment redistributes the total population within the county or whether it changes the total population of the county;

(D) If the adjustment redistributes total population within the county, the population of those political subdivisions affected must be indicated, to include any population change of unincorporated St. Louis County; and

(E) If the adjustment changes the total population of the county and the population of a political subdivision to include unincorporated St. Louis County, the notice should indicate the adjustment to the total population and to those political subdivisions affected.

(3) Upon receipt and verification of this notification, the department will adjust population figures prospectively.

*Auth: section 66.620, RSMo (1986). Original rule filed Oct. 8, 1986, effective Jan. 30, 1987.*

**12 CSR 10-11.210 Distribution of Delinquent Sales Taxes (St. Louis County Area)**

*PURPOSE: This rule clarifies the distribution of delinquent sales taxes for the St. Louis County area.*

(1) Intergroup Distribution. Distribution to such city as a part of its former group shall cease and as a part of its new group shall begin on the first day of January of the year following notification to the director of revenue, provided the notification is received by the director of revenue on or before the first day of July of the year in which the transferring ordinance is adopted.

(2) Intragroup Distribution. Delinquent sales taxes collected from the Group B pool will be distributed based upon the population of the pool at the time the delinquent sales taxes are received. The distribution of the delinquent sales taxes will not be based on the population of the pool for the periods in which the money was originally due and owing.

*Auth: section 66.620, RSMo (1986). Original rule filed Oct. 8, 1986, effective Jan. 30, 1987.*

**12 CSR 10-11.220 Requirements for Filing the Incorporation of a New Political Subdivision (St. Louis County)**

*PURPOSE: This rule lists the requirements with which each political subdivision must comply when filing for incorporation.*

(1) If any area of the unincorporated St. Louis County decides to incorporate after March 19, 1984 the newly incorporated municipality shall remain a part of Group B. Before the effective date of incorporation, the city clerk of the newly incorporated municipality must forward to the director of revenue, by registered mail, a certified copy of the incorporation election results and a map of the municipality clearly showing the boundaries. The municipality must also submit detailed verification of the source of the population. Population figures used to determine the distribution population for the newly incorporated municipality shall be based upon the last decennial census or the latest census which determines the total population of the county and all political subdivisions. The certified copy of the incorporation returns shall reflect the effective date of the incorporation. Upon receipt of the incorporation election results, map and verification, the director of revenue shall distribute and allocate the taxes effective the date of incorporation.

*Auth: section 66.620, RSMo (1986). Original rule filed Oct. 8, 1986, effective Jan. 30, 1987.*

**12 CSR 10-11.230 Adjustments Based Upon Annexation by Political Subdivisions (St. Louis County)**

*PURPOSE: This rule explains the requirements with which each political subdivision must comply to change its population as a result of an annexation.*

(1) Each political subdivision must file with the director of revenue a certified copy of the annexation election results, a certified copy of the ordinance approving the annexation and a map of the municipality clearly showing the newly annexed area. The political subdivision must also file with the director of revenue notification from the United States Bureau of Census stating that the population adjustment is based upon the annexation of a portion of another political subdivision(s). The notification must state the amount of population gained by the annexing political subdivision. The notice must also state which political subdivision(s) lost population through annexation and the amount of population lost by each. The population adjustments must be



based upon either the last decennial census or the latest census which determines the total population of the county and all political subdivisions.

*Auth: section 66.620, RSMo (1986). Original rule filed Oct. 8, 1986, effective Jan. 30, 1987.*