



County Commissioner Training

Agenda

**Marijuana – Medical and
Recreational**

**Street Decision – Titling Tax
Sales/Use Monthly Distribution**

Marijuana – Medical and Recreational



Medical Marijuana

- Article XIV of the Missouri Constitution applies a 4% tax on the retail sale of medical marijuana sold at marijuana dispensary facilities within the state.
- 214 dispensaries are currently licensed to sell medical marijuana.
- Funds collected from the 4% tax are deposited into the Missouri Veterans', Health and Care Fund.

Recreational Marijuana

- Article XIV of the Missouri Constitution applies a 6% tax on the retail sale of marijuana for recreational use sold at marijuana dispensary facilities within the state.
- Funds collected from the 6% recreational tax will be deposited into the Veterans, Health, and Community Reinvestment Fund.

Additional up to 3% Local Sales Tax

Adult Use Marijuana

- Article XIV allows local governments to impose an additional up to 3% local tax on recreational marijuana sales.
- New local sales taxes are effective on the first day of the second calendar quarter following Department of Revenue notification.

Street Decision- Titling Tax

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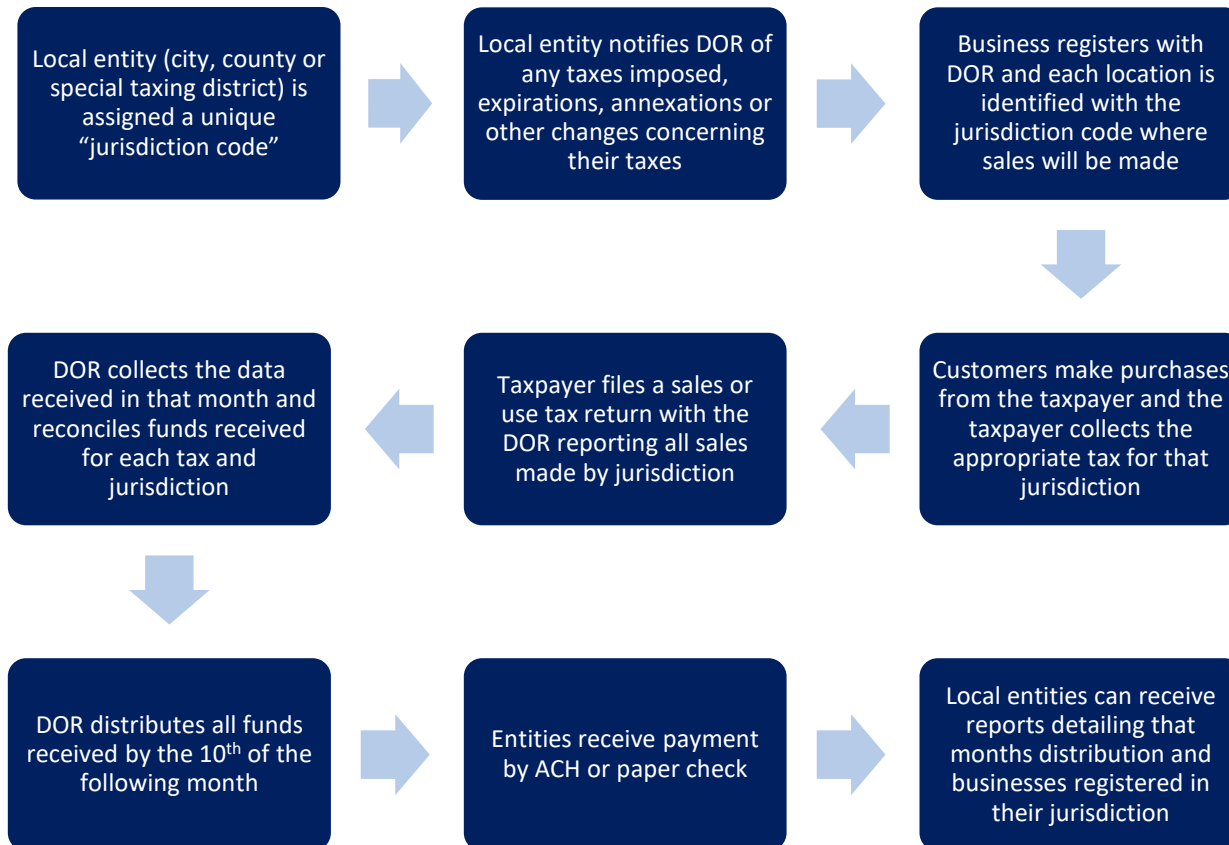
Street Decision – Titling Tax

- Section 32.087.5 RSMo, states that except those political subdivisions in which voters have approved a local use tax under Section 144.757, or have voted to continue to collect the title tax on or before the general election in November 2022, the collection of local sales taxes on the titling of motor vehicles, trailers, boats and outboard motors that were purchased from non-Missouri dealers shall cease effective March 1, 2023.
- Statute 32.087.5(8) RSMo, contains suggested ballot language if your political subdivision determines local taxes should apply to these transactions in the future.

Local Sales and Use Tax Distribution

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Overview of Local Sales & Use Tax Distribution Process



Distribution

- Retailers/businesses are required to file sales/use tax returns monthly, quarterly, or on an annual basis, depending on the amount of tax collected and remitted.
- Monthly and Quarterly returns are due on or before the last day of the following month.
- Annual returns are due January 31st.

Distribution

- Distributions are affected by filing due dates.
- December returns are due by January 31st with the majority of returns received and processed by the Department in February for March distribution.
- January returns are due to on February 28th with a significant portion of these returns received and processed by the Department in February, also for March distribution.

Distribution Reports

- Local entities can request access to reports to obtain information concerning their taxes.
- These reports assist the local entities in validating their distributions and verifying the businesses within their jurisdiction. To access reports the entity must register as a government user at: <https://mytax.mo.gov>
- Once registered, the [Request for Information or Audit of Local Sales and Use Tax Records, Form 4379](#), must be completed.



Distribution Financial Detail Report

- **Financial Detail Report** – provides details of the financial transactions related to specific distribution.
- Due dates and filing frequency should be considered when reviewing this report.
- Because of due dates and processing times, a business may not be listed in one month's distribution, and it may be listed twice in the next distribution.



Distribution Business List Report

- **Business List Report** – Provides a list of all businesses with an open sales or use tax location within that taxing jurisdiction.
- These reports assist the entity to validate the businesses registered in their entity.
- The entity should monitor the business lists to ensure businesses in their jurisdiction are registered properly.
- If a business is not listed on the report, they could be improperly registered.

Distribution Impact

- Distributions are affected by transactions that occur each month on a business's account.
- Some transactions create a positive effect on distribution while others negatively effect distribution.
- Details of these transactions can be found on the Financial Detail Reports.



Positive Distribution Impact

Original or amended sales/use tax returns posting

- Payments received with a return or on delinquent accounts.
- Bonds applied to delinquencies.
- Amended returns processed to correct an invalid location (Example: Location moved from outside city limits to inside city limits)
 - The Business List Reports should be used to verify businesses and ensure timely resolution.

Negative Distribution Impact

Amended returns

- Filed with valid exemption claims (i.e. farmers, resale, manufacturer)
- For sales to non-profit organizations
- Correcting an invalid location (Example: Location moved from inside the city limits to outside or moved to another city)
- Returns processed as a result of audit findings resulting in a refund.

Local Government Tax Guide

- The Local Government Tax Guide (Form 4890) provides information and guidance to local entities concerning local taxes.
- Information found in this guide includes:
 - Checklists for notification of passage of a sales or use tax
 - Distribution information
 - Report details
 - No tax due information
 - Frequently asked questions

Resources

Department Website: dor.mo.gov

Local Tax Unit: 573-751-4876

Local Tax Unit Email: localgov@dor.mo.gov

Local Government Tax Guide ([Form 4890](#))

Questions?

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