

Summary of SC92853, *St. Charles County v. Director of Revenue*

On review from the administrative hearing commission, Commissioner Sreenu Rao Dandamudi
Argued and submitted May 21, 2013; opinion issued Aug. 13, 2013

Attorneys: St. Charles County was represented during arguments by Toby J. Dible, of the office of the St. Charles County counselor in St. Charles, (636) 949-7540. The director of revenue was represented by Missouri Attorney General Chris Koster, Solicitor General James R. Layton and Deputy Solicitor General Jeremiah Morgan, of the attorney general's office in Jefferson City, (573) 751-1800; and Thomas A. Houdek of the Missouri Department of Revenue in Jefferson City, (573) 751-4450.

This summary is not part of the opinion of the Court. It has been prepared by the communications counsel for the convenience of the reader. It neither has been reviewed nor approved by the Supreme Court and should not be quoted or cited.

Overview: A county seeks review of an administrative hearing commission decision determining it did not qualify for tax exemptions for certain sales at an arena it owns and operates. In a unanimous decision written by Judge George W. Draper III, the Supreme Court of Missouri affirms the commission's decision. Because the county did not receive nor benefit from "all" of the proceeds, it does not qualify for the tax exemption.

Facts: St. Charles County owns and operates the St. Charles County Family Arena, which hosts many events. County staff determine what events to host and what price to charge, and all money the arena receives that is not paid to another party is deposited into a specific county fund. Events at the arena result in the sale of admission, merchandise, and food and beverages. After collecting taxes for fees, charges and sales at the arena, the county sought a refund, which the director of revenue denied. The county sought review in with the administrative hearing commission, which agreed with the director and found that the county does not receive "all the proceeds" from the arena and that the sale of merchandise, food and beverages are not the type of items exempted under the relevant statute. The county seeks this Court's review.

AFFIRMED.

Court en banc holds: The county does not qualify for the tax exemption and, therefore, is not entitled to a refund. The relevant statute exempts from sales tax admission charges and certain fees and charges in places of amusement when "all the proceeds" benefit the political subdivision and are not paid to a private entity. Here, however, the agreements into which the county entered for use of the arena were revenue-sharing agreements under which the county neither received nor benefited from "all" of the proceeds.