Summary of SC93048, *Les Featherston v. Director of Revenue*
On review from the administrative hearing commission, Commissioner Nimrod T. Chapel Jr.
Argued and submitted September 4, 2013; opinion issued October 15, 2013

Attorneys: The director was represented by Solicitor General James R. Layton of the attorney general's office in Jefferson City, (573) 751-3321; Featherston, of Mt. Vernon, Mo., represented himself.

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: The director of revenue seeks review of the administrative hearing commission's decision that a man was not liable for use taxes on an airplane he purchased in Missouri from an estate and then stored in the state. In a unanimous decision written by Judge Richard B. Teitelman, the Supreme Court of Missouri reverses the commission's decision. The use tax statute applies to property stored in Missouri, and no statutory exemption applies.

Facts: While liquidating her late husband's estate in 2002, Juanita Bridges sold her husband's airplane to Les Featherston, who stored the airplane in Missouri. Bridges did not collect or remit sales tax, and Featherston did not pay use tax. In 2010, the director of revenue determined that Featherston should have paid use taxes because he had not paid sales tax on the purchase and he stored the airplane in Missouri. The director assessed Featherston nearly $2,200 in unpaid use tax plus interest. Featherston sought review from the administrative hearing commission, which determined he did not owe use tax. The director seeks this Court's review.

REVERSED.

Court en banc holds: The commission incorrectly concluded that use tax applies only to goods purchased out of state and then used or stored in the state. But nothing in section 144.610, RSMo – which defines the scope of the use tax – limits the tax to property purchased out of state. Its plain language provides that use tax applies to all in-state storing, using or consuming of tangible personal property unless a specific exemption applies. None of the statutory exemptions, however, apply here. Consequently, the commission erred in concluding that Featherston did not owe the use tax the director assessed.