

## What is a use tax?

It replaces the local sales tax that is lost on goods or materials that are purchased out-of-state – anything from steel to lumber, computers to fax machines, chemicals to sheet rock, or office furniture to loading ramps.

## Why is it called a “use tax”?

It is called a “use tax” because the out-of-state goods or materials are shipped into Missouri and “used” by the purchaser.

## Why do we need it?

The use tax is designed to eliminate the unfair economic advantage that interstate sellers (those who sell across state lines) have over hometown merchants. It's a pro-Missouri tax!

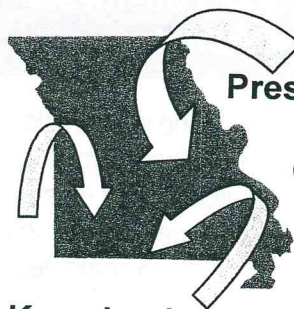
A good example is DeLong's Inc., a steel fabricator in Jefferson City, MO. When an out-of-state steel company, a DeLong's competitor, sells to an industry in Missouri and does not have to charge a local sales tax, the competitor enjoys a price advantage. In other words, any in-state industry can purchase materials (steel or welding gloves, file cabinets, bib overalls, laptops, etc.) from out-of-state at a cheaper price because it can avoid paying a local sales tax.

## Does the state collect a state use tax?

Yes. It is equal to the in-state sales tax rate -- .04225%.

**Voting “yes” for our local use tax will level the playing field between Missouri merchants who must tax and out-of-state vendors who sell goods tax-free.**

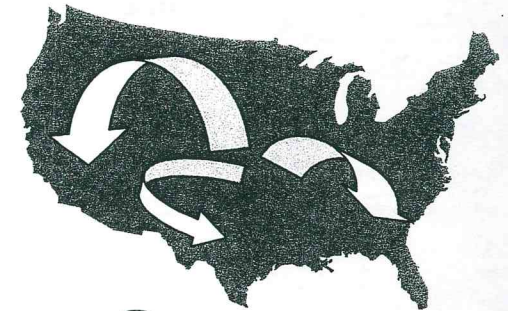
- It's a pro-Missouri tax!
- It primarily affects big business and industry.
- It does not affect most consumers, due to the \$2,000 exemption.
- It is identical to a local sales tax, but it is applied to sales transacted across state lines.
- It eliminates the incentive to purchase goods from out-of-state.
- It stops outsiders from having a permanent tax holiday!
- It removes the pressure to raise local taxes to make up for sales tax revenue lost to other states.



**Preserve our local economy.**

**Keep business at home!**

**Buying out-of-state hurts our economy!**



**Support your local merchants!**

**Vote “yes” on our local use tax!**