

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 0156-01
Bill No.: SB 250
Subject: County Law Enforcement: Sales Tax
Type: Original
Date: January 31, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
General Revenue	Unknown	Unknown	Unknown
Total Estimated Net Effect on General Revenue Fund	Unknown	Unknown	Unknown

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Revenue** assume this proposal would have no administrative impact, however, should the voters approve the imposition of the sales tax, there would be revenue generated from a 1% collection fee that would be retained by the Director of Revenue and deposited into the State's General Revenue Fund. The amount of revenue is indeterminable because the rate of taxation that could be approved is unknown. The tax could not exceed one-half percent on all retail sales made in the county.

Officials of the **Jefferson County Commission** assume no fiscal impact.

Oversight assumes this proposal is enabling legislation and would have no fiscal impact without action of the governing body with voter approval. **Oversight will show fiscal impact as though a sales tax were adopted for law enforcement purposes.**

<u>FISCAL IMPACT - State Government</u>	FY 2004	FY 2005	FY 2006
---	---------	---------	---------

GENERAL REVENUE FUND

<u>Income</u> to Department of Revenue from 1% collection fee	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
--	----------------	----------------	----------------

<u>FISCAL IMPACT - Local Government</u>	FY 2004	FY 2005	FY 2006
---	---------	---------	---------

**COUNTY PROSECUTOR'S
SPECIAL FUND**

<u>Income</u> to Prosecutor's Special Fund 25% of Sales Tax Collected	Unknown	Unknown	Unknown
--	---------	---------	---------

<u>Costs</u> to Prosecutor's Special Fund providing for office operations	(Unknown)	(Unknown)	(Unknown)
--	-----------	-----------	-----------

Estimated Net Effect to County Prosecutor's Special Fund *	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
---	------------	------------	------------

**COUNTY LAW ENFORCEMENT
SALES TAX TRUST FUND**

<u>Income</u> to Law Enforcement Trust Fund 75% of Sales Tax Collected	Unknown	Unknown	Unknown
---	---------	---------	---------

<u>Cost</u> to Law Enforcement Trust Fund Providing law enforcement activities.	(Unknown)	(Unknown)	(Unknown)
--	-----------	-----------	-----------

Estimated Net Effect to County Law Enforcement Trust Fund *	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
--	------------	------------	------------

*** Oversight assumes costs would equal income resulting in an annual zero fiscal impact.**

FISCAL IMPACT - Small Business

Small businesses located within a county (Jefferson County) that would receive voter approval to impose up to ½ % sales tax for law enforcement purposes, would be impacted to the extent that they would pay and administer collection of the sales tax.

DESCRIPTION

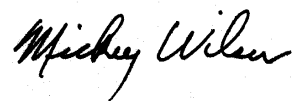
This act authorizes Jefferson County to levy a sales tax of up to one-half percent. Twenty-five percent of the revenue from this tax shall go to a County Prosecuting Attorney's Office Trust Fund, to be used by the county prosecuting attorney's office. The remainder of the revenue shall be deposited in the Law Enforcement Sales Tax Trust Fund for the county.

The act has an emergency clause and a referendum with ballot language.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Jefferson County Commission



Mickey Wilson, CPA
Director
January 31, 2003

LR No. 0156-01
Bill No. SB 250
Page 5 of 4
January 31, 2003

RWB:LR:OD (12/02)