

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

LR No.: 0156-01  
Bill No.: Truly Agreed to and Finally Passed SB 250  
Subject: County Law Enforcement: Sales Tax  
Type: Original  
Date: May 27, 2003

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**FISCAL SUMMARY**

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

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

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
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

### 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
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**GENERAL REVENUE FUND**

<u>Income</u> to Department of Revenue from 1% collection fee	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2004	FY 2005	FY 2006
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**COUNTY PROSECUTOR'S  
SPECIAL FUND**

<u>Income</u> to Prosecutor's Special Fund 25% of Sales Tax Collected	Unknown	Unknown	Unknown
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<u>Costs</u> to Prosecutor's Special Fund providing for office operations	(Unknown)	(Unknown)	(Unknown)
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<b>Estimated Net Effect to County Prosecutor's Special Fund *</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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**COUNTY LAW ENFORCEMENT  
SALES TAX TRUST FUND**

<u>Income</u> to Law Enforcement Trust Fund 75% of Sales Tax Collected	Unknown	Unknown	Unknown
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<u>Cost</u> to Law Enforcement Trust Fund Providing law enforcement activities.	(Unknown)	(Unknown)	(Unknown)
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<b>Estimated Net Effect to County Law Enforcement Trust Fund *</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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**\* Oversight assumes costs would equal income resulting in an annual zero fiscal impact.**

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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

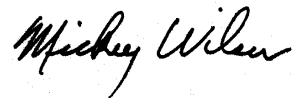
This act authorizes Jefferson County to levy a voter approved sales tax of up to one-half percent. Twenty-five percent of the revenue from this tax would go to a County Prosecuting Attorney's Office Trust Fund, to be used by the county Prosecuting Attorney's office. The remainder of the revenue would 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  
May 27, 2003

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