

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0328-08
Bill No.: Truly Agreed to and Finally Passed HCS for SCS #2 for SB 52
Subject: Taxation and Revenue - Income; Arts and Humanities; Libraries and Archives;
Entertainers and Sports
Type: Original
Date: May 12, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

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 Higher Education** and the **Department of Economic Development, Missouri Arts Council** assume this legislation extends the time period that funds from the taxation of nonresident entertainers and athletes can be transferred from year 2008 to 2015, and would not fiscally impact their agencies.

Secretary of State (SOS), State Library officials assume current law allocates, subject to appropriation, ten percent of the nonresident income taxes from out of state professional athletes and entertainers to the Secretary of State for distribution to public libraries for the acquisition of library materials. These funds assist libraries in their efforts to provide accurate information for their communities. This bill would extend the period for allocation of funds to public libraries for sever years through 2015.

No additional staff will be needed by SOS for this program. Cost for administration of the program can be absorbed by the agency.

Officials of the **Department of Revenue (DOR)** assume this legislation extends the distribution of funds raised by the nonresident entertainers and athletes tax.

DOR assumes extending the distribution will have no impact to their agency.

ASSUMPTION (continued)

Officials from the **Department of Natural Resources (DNR)** assumes currently the taxation of nonresident professional athletes and entertainers has a specific distribution schedule, subject to appropriation, which is set to expire in 2008. This proposal would extend the sunset to the distribution schedule to 2015.

By statute 10% of the revenue from this bill will be allocated to the Historic Preservation Revolving Fund, subject to appropriation.

This legislation could increase Total State Revenues.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This substitute extends the sunset dates by seven years (from 2008 to 2015) for the earmarking to various funds of the proceeds of the withholding tax on out-of-state athletes and entertainers.

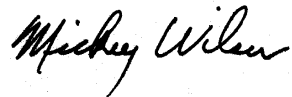
The substitute also removes the requirement that transfers to the various funds are subject to appropriations.

DESCRIPTION (continued)

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 Higher Education
Department of Revenue
Department of Economic Development
Missouri Arts Council
Secretary of State
State Library
Department of Natural Resources



Mickey Wilson, CPA
Director
May 12, 2003