

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 1564-02
Bill No.: HCS for SB 590
Subject: Senior Citizens, Property Tax: Tourism, Sales Tax
Type: Original
Date: April 18, 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 Revenue** assume no fiscal impact.

Officials of the **Department of Health- Senior Services** assume there would be no fiscal impact to their department, or programs.

Section 67.990- Oversight assume this proposal would increase the maximum levy that could be levied for providing Senior Services from the existing 5 cents to 10 cents per \$100 of assessed value. Oversight assumes that counties or certain cities governing bodies would need to seek voter approval to increase the local tax levy from the existing 5 cents to 10 cents per \$100 of assessed valuation. Oversight assumes this proposal does not require governing bodies to seek an increase in the Senior Citizen Services Tax, therefore, Oversight assumes no fiscal impact to local governments. Voter approval would be required before fiscal impact would be realized.

Section 67.2030- Oversight assumes this substitute would allow the governing body of the City of Weston to place before the voters of that city, the question of imposing a sales tax for the purpose of promoting tourism. The sales tax if adopted by the voters could not exceed one-half of one percent.

ASSUMPTION (continued)

Oversight assumes that if the sales tax were approved by the voters the city could make an agreement with the Department of Revenue to have the State collect the sales tax. If an agreement were made the Department of Revenue would retain up to 1% for a collection fee that would be deposited in the State's General Revenue Fund. If this would occur the amount of collection fee would be unknown. As written there would be no state or local fiscal impact without *action of the city's governing body with voter approval*. **Oversight will show no fiscal impact.**

City of St. Louis and St. Louis County officials did not respond.

<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

Section 67.990- If voters would approve an increase in the Senior Citizens Services levy for 5 cents to 10 cents per one hundred dollars of assessed value, small businesses that pay a property tax would pay the increase.

Section 67.2030- If voters in the City of Weston would approve the imposition of a sales tax for the promotion of tourism, small businesses located in the City of Weston could expect to pay and administer the collection of the sales tax.

DESCRIPTION

This substitute increases the maximum amount of property tax levy that can be authorized by counties for the Senior Citizens' Services Fund from five cents to 10 cents per \$100 assessed valuation.

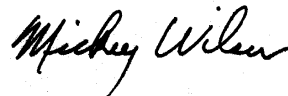
DESCRIPTION (continued)

The substitute also authorizes a tourism sales tax that could not exceed one-half of one percent for the City of Weston located in Platte County. Voter approval would be required.

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
Department of Health and Senior Services

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
April 18, 2003

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