

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

LR No.: 2524-02  
Bill No.: Perfected SCS for SB 758  
Subject: Cities: Sleeping Room Tax  
Type: Original  
Date: February 10, 2004

---

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Total Estimated Net Effect on <u>All</u> 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 2005	FY 2006	FY 2007
<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 2005	FY 2006	FY 2007
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### FISCAL ANALYSIS

#### ASSUMPTION

Officials of the **Department of Economic Development- Division of Tourism** assume no fiscal impact to their department.

**The Cities of Sullivan, Fenton, Pacific, Union, St. Clair and De Soto did not respond.**

**Oversight** assumes this proposal is permissive. Before any local fiscal impact would be realized the voters would have to approve the imposition of a sleeping room tax that would have to be at least 2% but not greater than 5% on sleeping rooms per night. Oversight assumes that in those cities that would impose the tax there would be income generated from the tax and there would be costs for the promoting of tourism. Oversight assumes the City would realize some insignificant administrative impact in the collection and accounting for the revenues generated by the tax.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
<b>CERTAIN CITIES</b>			
<b><u>Income</u></b> - to Certain Cities from a 2% to 5% sleeping room tax	Unknown	Unknown	Unknown
<b><u>Costs</u></b> - to Certain Cities from promoting tourism	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT TO CERTAIN CITIES *</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

**\* Oversight assumes costs would not be greater than income in a given year resulting in either a positive fund balance, or a zero fund balance. For purposes of this fiscal note, fiscal impact is shown as \$0.**

FISCAL IMPACT - Small Business

Small businesses in the hotel, motel, bed and breakfast, campgrounds, or certain docking facilities business, that are located in any of the cities that would receive voter approval to impose a sleeping room tax, would realize some additional administrative impact from collecting and accounting for the sleeping room tax.

DESCRIPTION

This act authorizes the governing bodies of the cities of Pacific, Riverside, Sullivan, and Union to submit a transient guest tax proposal to a vote of the people of such cities. The tax proposal would be for at least two percent but not more than five percent.


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 Economic Development- Tourism

NOT RESPONDING

The Cities of : De Soto, Fenton, Pacific, Union, St. Clair, and Sullivan

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

Mickey Wilson, CPA  
Director  
February 10, 2004