

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4002-03
Bill No.: Perfected SB 1395
Subject: Taxation and Revenue - General: Arts and Entertainers
Type: Original
Date: April 14, 2004

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|---|----------------|-------------------------|-------------------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| General Revenue | \$0 | \$0 to (Unknown) | \$0 to (Unknown) |
| | | | |
| Total Estimated Net Effect on General Revenue Fund | \$0 | \$0 to (Unknown) | \$0 to (Unknown) |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|--|----------------|-----------------------|-----------------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| Missouri Arts Council Trust | \$0 | \$0 to Unknown | \$0 to Unknown |
| | | | |
| Total Estimated Net Effect on Other State Funds | \$0 | \$0 to Unknown | \$0 to Unknown |

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

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|-------------------------------------|------------|------------|------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Economic Development - Missouri Arts Council**, the **Department of Revenue** and the **State Treasurer** stated that the proposal would not affect their agencies, administratively.

Oversight notes that transfers from the General Revenue Fund to the Missouri Arts Council Trust Fund were \$4,974,655 in FY 2000, \$5,194,060 in FY 2001, and \$2,597,030 in FY 2002. There were no transfers from the General Revenue Fund to the Trust Fund in FY 2003 or FY 2004. HB 1007 from this session does not have a line item for such a transfer in FY 2005.

For fiscal note purposes, Oversight will show costs of zero (\$0) to (Unknown) to the General Revenue Fund and corresponding gains to the Missouri Arts Council Trust Fund to reflect the possibility that if the estimate of income tax collected from athletes and entertainers were to exceed \$16,666,667 the Trust Fund would receive more money than is allowed under current law and the General Revenue Fund would retain less.

| | | | |
|---|---------------------|---------|---------|
| <u>FISCAL IMPACT - State Government</u> | FY 2005 (10 Mo.) | FY 2006 | FY 2007 |
|---|---------------------|---------|---------|

GENERAL REVENUE FUND

| | | | |
|---|-----|---------------------|---------------------|
| <u>Cost</u> - Increased Transfers to the Missouri Arts Council Trust Fund | \$0 | \$0 to (Unknown) | \$0 to (Unknown) |
|---|-----|---------------------|---------------------|

| | | | |
|---|-------------------|------------------------------------|------------------------------------|
| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | <u>\$0</u> | <u>\$0 to (Unknown)</u> | <u>\$0 to (Unknown)</u> |
|---|-------------------|------------------------------------|------------------------------------|

MISSOURI ARTS COUNCIL TRUST FUND

| | | | |
|---|-----|----------------|----------------|
| <u>Income</u> - Increased Transfers from the General Revenue Fund | \$0 | \$0 to Unknown | \$0 to Unknown |
|---|-----|----------------|----------------|

| | | | |
|---|-------------------|------------------------------|------------------------------|
| ESTIMATED NET EFFECT ON MISSOURI ARTS COUNCIL TRUST FUND | <u>\$0</u> | <u>\$0 to Unknown</u> | <u>\$0 to Unknown</u> |
|---|-------------------|------------------------------|------------------------------|

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

FISCAL IMPACT - Small Business

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

DESCRIPTION

This proposal would remove the provision of section 144.183 (the arts and entertainers tax law) which provides that the Missouri Arts Council not be appropriated more than ten million dollars in any fiscal year.

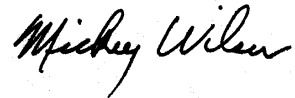
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. This proposal would not affect Total State Revenue.

GVB:LR:OD (12/02)

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SOURCES OF INFORMATION

Department of Economic Development - Missouri Arts Council
Department of Revenue
State Treasurer

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

Mickey Wilson, CPA
Director
April 14, 2004