

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 4761-01
Bill No.: SB 1335
Subject: Taxation and Revenue- Local Sales and Use, Property; Children and Minors;
Counties; St. Louis City
Type: Original
Date: March 15, 2004

FISCAL SUMMARY

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

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
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 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

*** Oversight assumes costs would equal income resulting in an annual zero fiscal impact. This is enabling legislation and would have no fiscal impact without action of the governing body with voter approval.**

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Revenue (DOR)** assume this legislation modifies the taxes for community services for children. DOR assumes no fiscal impact from this proposal.

Officials of the **Department of Social Services (DOS)** assume this bill makes modifications to the local option Community Services for Children Tax. Since the tax is administered locally and all expenditures must be authorized by a county board of directors, there is no direct fiscal impact to DOS.

Officials of the **State Tax Commission** and the **Department of Mental Health** assume local communities would only be affected if the local voters approved the tax issues and therefore there is no fiscal impact to their agencies.

Officials of the **Counties of Jasper, Greene and Webster** assume this legislation would be a positive impact to their counties if the counties choose to vote it in.

ASSUMPTION (continued)

Officials from **Platte County** assume a county-wide levy would bring in the following estimated tax collections for the Children's Services Fund:

.05 cents \$647,320

.10 cents \$1,291,641

.15 cents \$1,941,962

.25 cents \$3,236,603

The cost to the Collector's office would be zero as it would be applied as all other taxing jurisdiction levies. The cost to the Platte County to place this on the ballot is unknown.

City of St. Louis and various county officials did not respond to our fiscal note request.

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 and property tax were adopted for community services for children.** The fiscal impact will be shown as an unknown to the City of St. Louis and Counties. **Oversight** assumes costs would equal income resulting in an annual zero fiscal impact.

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

<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
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COMMUNITY CHILDREN'S SERVICES FUND

Income - City of St. Louis/Counties

Increased Sales and Property Tax	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
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Cost - City of St. Louis/Counties

Program costs for children's services	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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TOTAL ESTIMATED NET EFFECT ON COMMUNITY CHILDREN'S SERVICES FUND*

\$0

\$0

\$0

***Oversight assumes costs would equal income resulting in an annual zero fiscal impact.**

This is enabling legislation and would have no fiscal impact without action of the governing body with voter approval.

FISCAL IMPACT - Small Business

Small businesses could expect to be fiscally impacted to the extent that they may see an increase in sales and property taxes if approved by voters.

DESCRIPTION

This proposal modifies the law allowing all counties and St. Louis City to levy sales and property taxes for community services for children by clarifying that the sole purpose of the tax is to provide services to protect the well-being and safety of children and youth and to strengthen families.

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

KS:LR:OD (12/02)

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Department of Revenue
Department of Social Services
Department of Mental Health
State Tax Commission

NOT RESPONDING: City of St. Louis

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

Mickey Wilson, CPA
Director
March 15, 2004