

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3094-01
Bill No.: SB 691
Subject: Retirement Systems and Benefits - General; Taxation and Revenue - Income.
Type: Original
Date: January 18, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue** assume the proposal would not fiscally impact their agency.

Officials from the **Missouri State Employees Retirement System, City of Kansas City, Kansas City Police Department, Missouri Local Area Government Employees Retirement System (LAGERS)** and the **County Employee's Retirement System** each assumed the proposal would not fiscally impact their respective agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

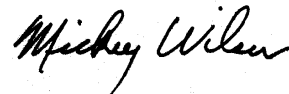
DESCRIPTION

This proposal requires mandatory withholding of retirement income which includes withholding for entities outside of Missouri. The term retirement income is defined as any annuity, pension, or retirement allowance as defined in Section 143.124.1, RSMo. A taxpayer is granted the option to have additional withholding or, upon written notification, the taxpayer may elect not to have an amount withheld from their payment. The administration, collection, and enforcement of the withholding tax will be done in the same manner as employer withholdings.

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
Missouri State Employees Retirement System
City of Kansas City
Missouri Local Area Government Employees Retirement System
Missouri County Employee's Retirement System
Kansas City Police Department



Mickey Wilson, CPA
Director
January 18, 2006