

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1725S.01I
Bill No.: SB 365
Subject: Taxation and Revenue - Property; County Officials
Type: Original
Date: March 2, 2021

Bill Summary: This proposal allows county assessors to send personal property tax lists in electronic form.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on FTE	0	0	0

- ☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- ☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Local Government	Unknown	Unknown	Unknown

FISCAL ANALYSIS

ASSUMPTION

Section 137.280 Electronic Assessment Form

Officials from the **State Tax Commission** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for the Tax Commission.

Officials from the **Jefferson County Assessor's Office** assume the amount of annual postage cost saved is estimated at \$19,848 (92,534 assessment lists mailed x 39% electronic request x \$0.55 postage rate). The 39% electronic request rate is based on discussions with assessors who send out postcards per request, and our electronic filing response rate. Also, the savings cost to print, sort, and stuff paper assessment lists for mailing is estimated to be \$4,368 (\$11,200 printing cost x 39% electronic request). Also, the reduction in paper assessment lists being sent also means they would not be mailed back. This would allow for a reduction of one full-time employee (FTE) that is now allocated to opening, sorting, and scanning in paper assessment lists into our system. The salary and benefits for this position was budgeted at \$37,156 for the 2021 budget cycle. In total, this legislation when implemented would constitute an estimated total annual budgetary savings to the Jefferson County Assessment Fund of \$61,372.

Per the U.S. Census Bureau, the population of Jefferson County was [225,081](#) in 2019. **Oversight** notes the number of assessment lists mailed as a proportion of the population is estimated at 41%. If other counties experienced a similar assessment list to population mailing reduction, the savings is estimated at \$1,383,990 ($((6,137,428 * .41) = \$2,516,346 * .55 \text{ postage}))$ based on the population of Missouri.

And if each county were able to reduce their staff by one position at a similar salary, **Oversight** estimates the savings at \$4,255,000 ($\$37,000 * 115$).

Oversight is uncertain if other county assessment offices would experience a savings similar to the one estimated by the Jefferson County Assessor. Oversight will show an unknown savings to county assessment offices.

Oversight received a limited number of responses from county assessors related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other county assessors were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
COUNTY ASSESSORS			
<u>Savings</u> - from no longer mailing assessment lists and a reduction in staff	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
ESTIMATED NET EFFECT ON COUNTY ASSESSORS	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This act allows a county assessor, upon request of a taxpayer, to send personal property tax lists and notices in electronic form.

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

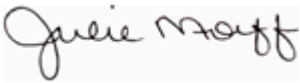
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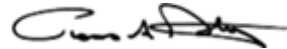
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State Tax Commission
Jefferson County Assessor

A handwritten signature in cursive script that reads "Julie Morff".

Julie Morff
Director
March 2, 2021

A handwritten signature in cursive script that reads "Ross Strobe".

Ross Strobe
Assistant Director
March 2, 2021