

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 3369-01
Bill No.: HB 958
Subject: Taxation: County Assessment Fund
Type: Original
Date: January 23, 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 STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Blind Pension Trust	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on <u>All</u> State Funds	(Unknown)	(Unknown)	(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 of the **State Tax Commission** assume this proposal transfers funds from one political subdivision to another. Officials assume no impact to the Commission.

Officials of the **Department of Elementary and Secondary Education** assume Districts in specified counties would see a slight reduction in the taxes they receive because of the higher percentage being retained by the county for assessment purposes. Officials stated, “there would be no impact on the foundation formula as the deduction for local property tax is not tied to the local collection percentage on taxes.”

Oversight assumes there **would be a minimal loss of revenue** to the State’s Blind Pension Trust Fund. The amount of loss is indeterminable, and unknown

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
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BLIND PENSION TRUST FUND

Loss of Revenue - Blind Pension Trust Fund

from increase in withholding for County's Assessment Fund	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
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<u>ESTIMATED NET EFFECT TO BLIND PENSION TRUST FUND</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
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POLITICAL SUBDIVISIONS

<u>Income</u> - to County's Assessment Fund from increase in withholding from taxing authorities.	Unknown	Unknown	Unknown
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<u>Loss of Revenue</u> - to Taxing Authorities from additional withholding for County's Assessment Fund	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT TO LOCAL GOVERNMENT	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

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

DESCRIPTION

This act modifies the percentage of property tax collections that are deposited in the county assessment fund. It increases the percentage from one-half of one percent to one percent in first class counties and St. Louis City. For second, third, and fourth class counties the percentage becomes two percent, up from one half of one percent in second class counties and one percent in third and fourth class counties.


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

State Tax Commission
Department of Elementary and Secondary Education

NOT RESPONDING

The County Commissions/Collectors of : Boone, Callaway, Cole, Clay, Greene, Johnson, Jefferson, Platte, St. Charles, St. Louis, and Jackson Counties.



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Director
January 23, 2004