

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1180-01
Bill No.: HB 501
Subject: Agriculture and Animals; Agriculture Dept.
Type: Original
Date: March 7, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>Other</u> 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 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	(Unknown)	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration, Division of Budget and Planning**, the **Department of Revenue**, and the **Office of the Cole County Assessor** assume the proposal would have no impact on their organizations.

Officials from **Callaway County, Greene County, Ozark County, and Warren County** did not respond to our request for information.

Officials from the **State Tax Commission** assume this proposal would move "livestock auctions, including land and improvements devoted to livestock auction use" from "utility, industrial, commercial, railroad and other real property" to "agricultural and horticultural property" for the purposes of assessing property taxes. This change would reduce the percentage of assessed value to estimated market value from 33.3% to 12% and would reduce the amount of revenue collected on this property. According to the Missouri Department of Agriculture there are approximately 130 auctions located in the State of Missouri. The amount of revenue loss is unknown.

Oversight assumes this proposal would result in an unknown reduction in revenue to local taxing authorities, and an insignificant reduction in revenue to the Blind Pension Fund.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	\$0	\$0	\$0

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
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POLITICAL SUBDIVISIONS

Revenue reduction - property taxes	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT ON POLITICAL SUBDIVISIONS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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FISCAL IMPACT - Small Business

This proposal would have a direct fiscal impact to small businesses involved in livestock auctions.

DESCRIPTION

This proposal would includes livestock auctions in the definition of agricultural and horticultural property for purposes of property tax assessments. Livestock auction facilities would be reclassified from commercial to agricultural for assessment purposes.

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

Office of Administration
Division of Budget and Planning
Department of Revenue
State Tax Commission
Office of the Cole County Assessor

NOT RESPONDING

Callaway County
Greene County
Ozark County
Warren County



Mickey Wilson, CPA
Director
March 7, 2005