

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 2158-01
Bill No.: HB 915
Subject: Revenue Dept.; St. Louis County; Taxation and Revenue – Sale and Use
Type: Original
Date: April 13, 2005

FISCAL SUMMARY

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

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Municipal Public Safety Sales Tax Fund	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds *	\$0	\$0	\$0

* – Net of transfers (contingent upon voter approval).
Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 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	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Revenue** assumes they could handle any additional workload created by this proposal with existing resources.

Oversight assumes if the Department of Revenue collects the sales tax, the DOR would retain a 1% fee for collecting the tax. The amount of money generated by the 1% fee is indeterminable and is unknown. Since any potential collection fees would be contingent upon local voter approval, Oversight will show fiscal impact to the State's General Revenue Fund as \$0 to Unknown.

Oversight assumes this is enabling legislation and would have no fiscal impact, unless the governing body of any municipality located in St. Louis County would seek voter approval to levy an additional sales tax of up to one-half cent.

Oversight assumes that this proposal as written does not mandate such governing bodies to place before the voters the question of levying the additional sales tax; such an act is discretionary. Nor does this proposal mandate an increase in the tax rate. Therefore, Oversight assumes this proposal would have no fiscal impact.

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ASSUMPTION (continued)

Oversight will show fiscal impact as \$0 if the tax increase were placed on the ballot and were defeated, or if it were never placed on the ballot, to Unknown revenue if the question were placed on the ballot and passed by the voters of the district. Oversight assumes if the tax increase were passed there is no way to determine the amount of revenue that would be generated by the tax.

<u>FISCAL IMPACT - State Government</u>	FY 2006	FY 2007	FY 2008
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GENERAL REVENUE FUND

Income – DOR

1% collection fee	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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**ESTIMATED NET EFFECT TO
GENERAL REVENUE FUND**

<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
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**MUNICIPAL PUBLIC SAFETY
SALES TAX FUND**

<u>Transfers In</u> – Local sales tax receipts	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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<u>Transfers Out</u> – To municipalities	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
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**ESTIMATED NET EFFECT TO
MUNICIPAL PUBLIC SAFETY
SALES TAX FUND ***

<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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* – Net of transfers (contingent upon voter approval).

<u>FISCAL IMPACT - Local Government</u>	FY 2006	FY 2007	FY 2008
Income – Municipalities			
Local sales tax receipts	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
Cost – Municipalities			
Law enforcement-related expenditures	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON LOCAL GOVERNMENT*,**	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

* – **Oversight** assumes in any given year, that costs would not exceed income. Therefore, fiscal impact would be either \$0 if all money were spent, or a positive Unknown fund balance. For purposes of this fiscal note, impact will be shown as \$0.

** – **Oversight** assumes this is enabling legislation and would require action by the governing body of a municipality AND voter approval before fiscal impact would be realized.

FISCAL IMPACT - Small Business

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

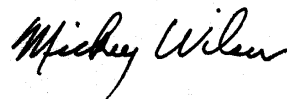
DESCRIPTION

This legislation authorizes imposition of a public safety local sales tax in municipalities located in St. Louis County.

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



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Mickey Wilson, CPA
Director
April 13, 2005

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