

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3473-01
Bill No.: HJR 36
Subject: Constitutional Amendments; Military Affairs; Property, Real and Personal;
Taxation and Revenue - General; Taxation and Revenue - Property
Type: Original
Date: January 18, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
General Revenue	(\$52,560)	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	(\$52,560)	\$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 4 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

In response to a similar proposal, officials from the office of the **Secretary of State** (SOS) stated that statewide newspaper publication of constitutional amendments cost approximately \$1,752 per column inch per publication date based on an estimate provided by the Missouri Press Service. The SOS estimated this proposal would require 10 column inches including title header and certification paragraph, for three required publications. (($\$1,752 \times 3 = \$5,256$) $\times 10 = \$52,560$).

Officials with the Missouri Veterans Commission and the Office of the Adjutant General assume this proposal would have no fiscal impact on their agencies.

Officials with the Department of Revenue (DOR) assume that if an active military taxpayer was a small business owner or a farmer, this proposal would exempt his or her business or farm personal property from taxation, while he or she is on active duty. The potential loss of ad valorem tax would be relatively small, and DOR assume no significant shift of tax burden. DOR assumes no fiscal impact to its agency.

Officials with the State Tax Commission assume this proposal would have no fiscal impact on its agency, but that it would impact all local political subdivisions, including school districts,

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creating a loss of property tax revenue.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
GENERAL REVENUE FUND			
<u>Cost - Secretary of State</u>			
Publication cost	<u>(\$52,560)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$52,560)</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>
 <u>FISCAL IMPACT - Small Business</u>			

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


DESCRIPTION

This proposal would propose a constitutional amendment to exempt from taxation all personal property held for the entire tax year by any resident of this state engaged in the performance of active duty in the military service of the United States.

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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A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large, stylized 'M' and 'W'.

Mickey Wilson, CPA
Director
January 18, 2006