

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0612-01
Bill No.: HB 176
Subject: Law Enforcement Officers and Agencies; Revenue Dept.; Taxation and Revenue
- Income
Type: Original
Date: March 28, 2007

Bill Summary: Would provide an individual income tax credit for real property taxes paid by surviving spouses of certain public safety officers.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue *	\$0	(Unknown)	(Unknown)
Total Estimated Net Effect on General Revenue Fund *	\$0	(Unknown)	(Unknown)

* Unknown expected to be less than \$100,000 per year.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration, Division of Budget and Planning** assume there would be no added cost to their organization as a result of this proposal, and deferred to the Department of Revenue for an estimate of the revenue reduction from the tax credits authorized.

Officials from the **Office of the Secretary of State (SOS)** provided the following response:

Many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what our office can sustain with our core budget. Therefore, we reserve the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Officials from the **Department of Conservation, the Department of Natural Resources, the Department of Public Safety, Division of Fire Safety, Capitol Police, and Missouri Highway Patrol, the Department of Revenue, the Department of Transportation, and the City of Centralia** assume this proposal would have no fiscal impact on their organizations.

Officials from the **Department of Public Safety, Office of the Director** stated the number of law enforcement deaths (including Department of Corrections) in the past several years was 1 in 2006, 8 in 2005, 3 in 2004, 2 in 2003, 6 in 2002, 6 in 2001 and 5 in 2000. These numbers do not include firefighters, park rangers, emergency medical technicians or other categories of public safety officers eligible under the proposal. Assuming the number of public safety officers dying in the line of duty per year of 10 and a property tax bill of \$1,500, this would result in loss of general revenue of \$15,000 in a given year. Many factors could impact this estimate, therefore, Oversight will assume the proposal would have negative fiscal impact on General Revenue, expected to be less than \$100,000.

Officials from the **Office of the Clay County Assessor** and the **City of Poplar Bluff** responded without indicating an estimate of the fiscal impact on their organization.

ASSUMPTION (continued)

Officials from the **Office of the Cole County Assessor** stated that they could not estimate the fiscal impact of this proposal.

Officials from the **Office of the St. Louis County Assessor** (Assessor) stated that implementing the proposal would require their organization to make some computer systems changes estimated at a cost of \$20,000. The Assessor estimated a minimal revenue reduction.

Officials from the **Office of the Boone County Collector** assume this proposal would have no fiscal impact on their organization unless an official receipt is required by the Department of Revenue. The statutory charge of \$1 for a duplicate receipt would increase revenue by an insignificant amount.

Officials from **Nodaway County** assume this proposal would have very little fiscal impact on their organization.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
GENERAL REVENUE			
Revenue reduction - tax credits *	<u>\$0</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND *	<u>\$0</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
* Unknown expected to be less than \$100,000 per year.			
<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

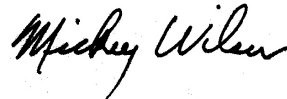
FISCAL DESCRIPTION

This proposal would provide an individual income tax credit for real property taxes paid by surviving spouses of certain public safety officers.

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 the Secretary of State
Office of Administration
 Division of Budget and Planning
Department of Conservation
Department of Natural Resources
Department of Public safety
 Office of the Director
 Division of Fire Safety
 Capitol Police
 Missouri Highway Patrol
Department of Revenue
Department of Transportation
City of Centralia
City of Poplar Bluff
Office of the Clay County Assessor
Office of the Cole County Assessor
Office of the St. Louis County Assessor
Office of the Boone County Collector
Office of the Nodaway County Treasurer



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Director
March 28, 2007