

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1901-01
Bill No.: HB 816
Subject: Children and Minors; Revenue Dept.; Taxation and Revenue - Income; Vital Statistics
Type: Original
Date: April 17, 2007

Bill Summary: Would create an income tax dependency exemption for stillborn children.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	(Less than \$32,976)	(Less than \$32,976)	(Less than \$32,976)
Total Estimated Net Effect on General Revenue Fund	(Less than \$32,976)	(Less than \$32,976)	(Less than \$32,976)

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 4 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 **Department of Health and Senior Services**, the **Department of Revenue**, and the **Department of Social Services** assume this proposal would have no fiscal impact on their organizations.

Oversight has estimated the fiscal impact of this proposal to the state. According to the Department of Health website, there are an average of 458 fetal deaths per year. Using that rate, the Missouri childhood dependency exemption, and the maximum income tax rate of six percent, the maximum reduction in income tax revenue for this proposal would be $(458 \times \$1,200 \times 6\%) = \$32,976$. Oversight assumes the impact would not exceed this amount.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
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GENERAL REVENUE FUND

Revenue reduction - Department of Revenue

Income tax reduction from dependency exemption for stillborn child	<u>(Less than \$32,976)</u>	<u>(Less than \$32,976)</u>	<u>(Less than \$32,976)</u>
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ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(Less than \$32,976)</u>	<u>(Less than \$32,976)</u>	<u>(Less than \$32,976)</u>
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<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.

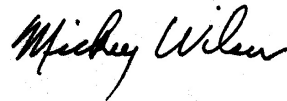
FISCAL DESCRIPTION

This proposal would create an income tax dependency exemption for stillborn children.

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 Health and Senior Services
Department of Revenue
Department of Social Services

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
April 17, 2007