

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3304-01
Bill No.: HB 1345
Subject: Disabilities; Housing; Revenue Dept.; Taxation and Revenue - Income
Type: #Revised
Date: February 27, 2008

Bill Summary: Would increase the maximum amount of income tax credit to individuals for the costs of home modifications for a disabled person.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue#	\$0	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
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 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	1	1	1
Total Estimated Net Effect on FTE	1	1	1

☐ 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 2009	FY 2010	FY 2011
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue** (DOR) assume this proposal would not fiscally impact their agency. DOR officials also provided this estimate of the IT cost to implement this proposal.

The Office of Administration, Information Technology Services Division (ITSD/DOR) assumes the IT portion of this request could be accomplished within existing resources, however; if priorities shift, additional FTE/overtime would be needed to implement. ITSD/DOR estimates that this legislation could be implemented utilizing 2 existing CIT III for 1 month for modifications to MINITS at a total cost of \$8,372.

Officials from the **Department of Economic Development, Business and Community Services, and Missouri Housing Development Commission** assume this proposal would have no fiscal impact on their organization.

Officials from the **Office of Administration, Division of Budget and Planning**, (BAP) assume this proposal would not result in additional cost or savings to their organization. BAP officials stated that the proposal would increase the available credits for taxpayers that modify their home to make it accessible from \$100,000 to \$1 million. This proposal could therefore lower general and total state revenues by \$900,000 annually.

Oversight assumes this provision could increase the amount of available credits for home modifications and a consequent reduction in personal income taxes to the General Revenue Fund. For budget purposes, this proposal could result in a revenue reduction as large as the amount of the increase in available credits.

However, the proposal reallocates tax credits which have been previously approved by the General Assembly and the fiscal impact of those tax credits was recorded at that time. Accordingly, Oversight will not indicate any fiscal impact for the tax credits reallocated in this proposal.

FISCAL IMPACT - State Government

FY 2009
(10 Mo.)

FY 2010

FY 2011

SS:LR:OD (12/02)

\$0

\$0

\$0

FISCAL IMPACT - Local Government

FY 2009
(10 Mo.)

FY 2010

FY 2011

\$0

\$0

\$0

FISCAL IMPACT - Small Business

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

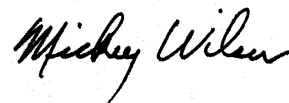
FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

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 Economic development
Division of Business and Community Services
Missouri Housing Development Commission
Department of Revenue



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Director
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