COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5456-01
Bill No.: HB 2480
Subject: Public Health Centers: Sales Tax, Jefferson County
Type: Original
Date: April 29, 2008

Bill Summary: Allows Jefferson County to impose a sales tax for county public health centers, with a corresponding reduction in property taxes.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
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 2009	FY 2010	FY 2011
Total Estimated Net Effect on Other State Funds	**$0**	**$0**	**$0**

Numbers within parentheses: ( ) indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on All Federal Funds	**$0**	**$0**	**$0**

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
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 2009	FY 2010	FY 2011
Local Government	**$0**	**$0**	**$0**

FISCAL ANALYSIS

ASSUMPTION

Section 67.585 - Jefferson County Public Health Center Sales Tax:

Oversight sent the **County Commission of Jefferson County**, and the **County Health Department** of **Jefferson County** a fiscal note request and neither have answered our request.

Officials of the **Office of the State Treasurer** assume no fiscal impact.

Officials of the **Department of Health and Senior Services** assume no fiscal impact.

Officials of the **Department of Revenue - Sales Tax Division** assume no fiscal impact.

Oversight assumes section 67.585 is enabling legislation and would have no fiscal impact without action by the Board of Trustees of the Public Health Center, and with voter approval. Because this proposal is permissive fiscal impact of section 67.585 is considered to be zero.

Oversight will show in the fiscal analysis section of this fiscal note the results of a voter approved sales tax in Jefferson County for the benefit of the County's Public Health Center.

Oversight has no way of knowing if the voters would approve the imposition of a sales tax that could not exceed one-half of one percent**.** **Oversight** has no way of determining the rate of sales tax that would be approved by the voters.

This proposal provides for a property tax reduction in the levy that operates the Public Health Center in an amount sufficient to decrease the total property taxes it would collect. **Oversight** has no way of determining the amount of property tax reduction that would be provided, nor can **Oversight** determine the amount of revenue that would be generated by the sales tax.

Oversight will show all amounts as either $0 (if the voters were not to approve the imposition of a sales tax), or a positive or negative unknown.

For purposes of this fiscal note **Oversight** will show the annual balance to the Jefferson County Public Health Center Improvement Sales Tax Fund as an annual zero balance

FISCAL IMPACT - State Government	FY 2009 (10 Mo.)	FY 2010	FY 2011
GENERAL REVENUE FUND			
Income - To Department of Revenue From 1% sales tax collection fee	$0 or Unknown	$0 or Unknown	$0 or Unknown
ESTIMATED NET EFFECT TO GENERAL REVENUE FUND	**$0 or Unknown**	**$0 or Unknown**	**$0 or Unknown**

FISCAL IMPACT - Local Government	FY 2009 (10 Mo.)	FY 2010	FY 2011
JEFFERSON COUNTY PUBLIC HEALTH CENTER - IMPROVEMENT SALES TAX FUND			
Income - To Jefferson County Public Health Center Improvement Sales Tax Fund. From voter approved sales tax.	$0 or Unknown	$0 or Unknown	$0 or Unknown
Reduction in Property Tax Levy - To Jefferson County Public Health Center Improvement Sales Tax Fund *	$0 or (Unknown)	$0 or (Unknown)	$0 or (Unknown)
Cost - To Jefferson County Public Health Center Improvement Sales Tax Fund From providing public health programs and services.	$0 or (Unknown)	$0 or (Unknown)	$0 or (Unknown)
ESTIMATED NET EFFECT TO LOCAL GOVERNMENT	**$0**	**$0**	**$0**

FISCAL IMPACT - Local Government (continued)	FY 2009 (10 Mo.)	FY 2010	FY 2011

*** Section 67.585 allows the voters to approve a sales tax for the county's Public Health Center and for public health programs. This bill requires the Public Health Center's Board of Trustees to reduce the total property tax levy in an amount sufficient to decrease the total property taxes it will collect. The reduction must be one of the following: Fifty Percent, Sixty Percent, Seventy Percent, Eighty Percent, Ninety Percent, or One Hundred Percent.**

FISCAL IMPACT - Small Business

Oversight assumes if the Jefferson County Public Health Center Board of Trustees were to obtain voter approval to levy a sales tax for public health purposes, small businesses would receive a property tax reduction, and would have to collect, pay, and administer the sales tax.

FISCAL DESCRIPTION

This bill authorizes Jefferson County, upon voter approval, to impose by order or resolution a retail sales tax of up to .5% for funding the public health and safety projects and programs of the County Public Health Center. The tax can only be imposed in conjunction with a property tax reduction for each year in which the sales tax is imposed. The sales tax revenue must be deposited into the newly created County Public Health Center Improvement Sales Tax Fund to be used solely for the specified purposes, except that 1% will be deposited into the General Revenue Fund for the cost of collection. A formula is provided for reductions in the property tax levy.

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 State Treasurer
Department of Health and Senior Services
Department of Revenue - Sales Tax Division

RWB:LR:OD (12/02)

NOT RESPONDING

Jefferson County Health Department
Jefferson County Commission

Mickey Wilson

Mickey Wilson, CPA
Director
April 29, 2008