

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4881-01  
Bill No.: HB 1450  
Subject: Tax Credits; General Assembly  
Type: Original  
Date: March 21, 2014

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Bill Summary: This proposal changes the law requiring tax credits other than the senior citizens property tax credit requiring approval by the senate appropriations and house budget committee to approval by the general assembly.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ 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).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Office of Administration's Division of Budget and Planning (BAP)** assume this proposal requires a constitutional majority of both houses of the General Assembly, instead of the budget and appropriations committees, to approve the estimates of tax credits before any new credits may be issued or certified. This will have no direct impact on General and Total State Revenues, but may impact revenues if a program does not receive approval. The DED may have additional information regarding possible impacts if the approval of any program is delayed.

Officials at the **Department of Economic Development** assume this change may not result in any direct fiscal impact; however, changing the way tax credits are approved may affect the value on the primary and secondary markets. This may impact General and Total State Revenue and any induced economic benefit of tax credits.

Officials at the **Department of Agriculture**, the **Department of Health and Senior Services**, the **Department of Natural Resources**, the **Department of Revenue**, the **Missouri House of Representatives** and the **Missouri Senate** each assume there is no fiscal impact to their respective agencies from this proposal.

Officials at the **Department of Social Services** assume there is no direct fiscal impact to the Department as a result of mandating that the estimate be approved by the entire legislative body, instead of just the budget committees. The Department's process for submitting the estimate remains the same.

Officials at the **Department of Insurance, Financial Institutions and Professional Registration** assume it is unknown how the changes to this bill would affect premium tax certified by the department. Impact is contingent upon future actions of the General Assembly.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2015  
(10 Mo.)

FY 2016

FY 2017

\$0

\$0

\$0

FISCAL IMPACT - Small Business

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

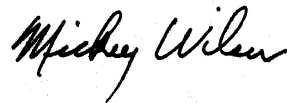
FISCAL DESCRIPTION

The proposed legislation appears to have no direct 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

Department of Agriculture  
Department of Economic Development  
Department of Health and Senior Services  
Department of Insurance, Financial Institutions and Professional Registration  
Department of Natural Resources  
Department of Revenue  
Department of Social Services  
Missouri House of Representatives  
Missouri Senate  
Office of Administration  
Division of Budget and Planning



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March 21, 2014

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