

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4138-01
Bill No.: HB 1447
Subject: Taxation and Revenue - Sales and Use; Motor Vehicles; Political Subdivisions;
Boats and Watercraft
Type: Original
Date: December 31, 2015

Bill Summary: This proposal changes the laws regarding the imposition of local sales taxes on the titling of motor vehicles, trailers, boats, or outboard motors purchased from non-Missouri dealers.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
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 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration - Division of Budget and Planning (BAP)** assume this proposal could have an impact on Total State Revenue (TSR) due to the 1% Department of Revenue collection charge withheld from local sales tax revenues. BAP officials stated they were not able to estimate the amount of the impact, and they assumed the proposal would not have an impact on the calculation required under Section 18(e) of the state constitution.

Oversight notes this proposal would only allow more time for a local government to adopt a local use tax on motor vehicles, trailers, boats, and outboard motors. Oversight assumes the TSR impact from this proposal, if any, would be dependent upon voter approval and will not include that impact in this fiscal note.

Officials from the **Office of Administration, Office of Secretary of State and Department of Revenue** each assume the proposal will have no fiscal impact on their respective organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<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.

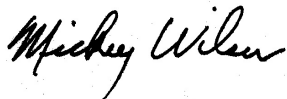
FISCAL DESCRIPTION

This proposal requires voter approval of the local taxing jurisdiction before the local sales tax can be imposed on the titling of motor vehicles, trailers, boats, or outboard motors purchased from a source other than a licensed Missouri dealer.

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
Office of Administration
 Division of Budget and Planning
Office of Secretary of State
Department of Revenue



Mickey Wilson, CPA
Director
December 31, 2015

Ross Strobe
Assistant Director
December 31, 2015