

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4959-01
Bill No.: HB 1615
Subject: Taxation and Revenue - Income; Taxation and Revenue - Property; Licenses -
Miscellaneous; Business and Commerce
Type: Original
Date: February 16, 2016

Bill Summary: This proposal requires statements of no tax due to be presented with any bid to perform work on publicly funded projects.

FISCAL SUMMARY

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

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
School District Trust	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
Conservation Commission	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
Parks, and Soil and Water	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 6 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 or Unknown	\$0 or Unknown	\$0 or Unknown

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue (DOR)** assume this proposal requires any entity who bids on publically funded projects to submit a statement of “no tax due” with the bid. DOR stated the proposal would require one (1) Revenue Processing Technician I, with related benefits, equipment, and expense of \$43,603 for FY 2017, \$45,497 for FY 2018 and \$45,867 for FY 2019.

Oversight assumes existing DOR staffing would be adequate to implement this proposal. If unanticipated additional costs are incurred, or if multiple proposals are implemented that increase DOR costs or the workload for DOR employees, resources could be requested through the budget process.

Officials from the **Office of Administration - Division of Budget and Planning (B&P)** assume this proposal requires any person or entity bidding on a publicly funded project to submit a copy of their city or county business license if applicable, along with a statement of “no tax due”. B&P officials assume that while this proposal will not directly impact General and Total State Revenue, it could have a positive impact if it results in more people paying taxes already owed to the state. B&P notes the 18(e) calculation should not be impacted.

Oversight will show the state and locals funds potentially receiving more tax money. **Oversight** will show the impact as \$0 to unknown from the additional filers.

Officials from the **Office of the Secretary of State, the Joint Committee on Administrative Rules, St. Louis County, St. Louis County Director of Elections, Callaway County, Jackson County Election Board, Mississippi County, Platte County Board of Elections, City of Columbia, City of Kansas City, University of Central Missouri, University of Missouri, Missouri State University, Northwest Missouri State University, State Technical College of Missouri**, assume no fiscal impact to their respective entities.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
GENERAL REVENUE FUND			
<u>Additional Revenue</u> - delinquent tax collections	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
SCHOOL DISTRICT TRUST FUND			
<u>Additional Revenue</u> - delinquent tax collections	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
ESTIMATED NET EFFECT ON SCHOOL DISTRICT TRUST FUND	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
CONSERVATION COMMISSION FUND			
<u>Additional Revenue</u> - delinquent tax collections	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
ESTIMATED NET EFFECT ON CONSERVATION COMMISSION FUND	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>

FISCAL IMPACT - State Government
(Continued)

FY 2017
(10 Mo.)

FY 2018

FY 2019

**PARKS, AND SOIL AND WATER
FUNDS**

Additional Revenue - delinquent tax
collections

\$0 or Unknown

\$0 or Unknown

\$0 or Unknown

**ESTIMATED NET EFFECT ON
PARKS, AND SOIL AND WATER
FUNDS**

\$0 or Unknown

\$0 or Unknown

\$0 or Unknown

FISCAL IMPACT - Local Government

FY 2017
(10 Mo.)

FY 2018

FY 2019

LOCAL GOVERNMENTS

Additional Revenue - delinquent tax
collections

\$0 or Unknown

\$0 or Unknown

\$0 or Unknown

**ESTIMATED NET EFFECT ON
LOCAL GOVERNMENTS**

\$0 or Unknown

\$0 or Unknown

\$0 or Unknown

FISCAL IMPACT - Small Business

Small businesses that bid on publically funded projects would be expected to be impacted as a result of this proposal.

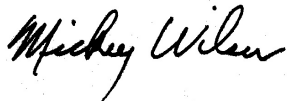
FISCAL DESCRIPTION

This proposal would beginning January 1, 2017, require statements of no tax due to be submitted with any bid to perform work on publicly funded projects.

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 Revenue
Office of Administration - Division of Budget and Planning
Office of the Secretary of State
Joint Committee on Administrative Rules
St. Louis County
St. Louis County Director of Elections
Callaway County
Jackson County Election Board
Mississippi County
Platte County Board of Elections
City of Columbia
City of Kansas City
University of Central Missouri
University of Missouri
Missouri State University
Northwest Missouri State University
State Technical College of Missouri



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February 16, 2016

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