

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0652H.02C
 Bill No.: HCS for HB 134
 Subject: Taxation and Revenue - General; Department of Revenue; Taxation and Revenue - Property; County Officials; State Tax Commission; Property, Real and Personal; Office of Administration
 Type: Original
 Date: April 5, 2023

Bill Summary: This proposal modifies provisions relating to the state tax commission, assessors, and tax assessment procedures.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Local Government	\$0 or (Unknown) to Unknown	\$0 or (Unknown) to Unknown	\$0 or (Unknown) to Unknown

FISCAL ANALYSIS

ASSUMPTION

Section 137.180 Electronic Notification of Assessment and Liability

Oversight notes this provision allows the assessor to provide an electronic notification of an assessment and tax liability information at the owner's request.

Oversight assumes this provision could result in savings of mail expenses for county assessors, however, some counties may have software and programming costs to administer changes from this provision, therefore, Oversight will show a potential unknown savings and a potential unknown cost to counties beginning in FY 2024.

In response to a previous version (HB 134), officials from the **St Genevieve County Assessor's Office** note that requiring an estimated tax bill for real estate value increases would be an unfunded mandate. The county notes their CAMA system does not have the capability of creating such a document. The current software calculates value only and would require extensive programming if such a requirement is placed on the Assessor.

Responses regarding the proposed legislation as a whole

Officials from the **State Tax Commission (STC)** assume no fiscal impact from the proposal. STC stated the State Ombudsman position (repealed in <§138.435>) has never been appropriated or filled so there is no impact.

In response to a previous version (HB 134), officials from the **Office of Administration - Budget and Planning**, the **Department of Revenue**, and the **Office of Administration** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to a previous version (HB 134), officials from the **Jackson County Commissioner** and the **Lincoln County Assessor** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Oversight received a limited number of responses from county assessors related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other county assessors were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the MOLIS database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
LOCAL POLITICAL SUBDIVISIONS			
<u>Savings</u> - \$137.180 – Mailing expenses no longer needed due to electronic notification of assessment/liability	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Costs</u> - \$137.180 - Counties – Software and programming costs	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>\$0 or (Unknown) to Unknown</u>	<u>\$0 or (Unknown) to Unknown</u>	<u>\$0 or (Unknown) to Unknown</u>

FISCAL IMPACT – Small Business

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

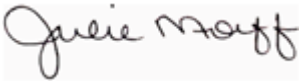
FISCAL DESCRIPTION

This legislation modifies provisions relating to the state tax commission, assessors, and tax assessment procedures

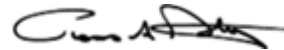
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration - Budget and Planning
Department of Revenue
Office of Administration
State Tax Commission
Jackson County Commissioner
Gasconade County Assessor
St Genevieve County Assessor
Lincoln County Assessor



Julie Morff
Director
April 5, 2023



Ross Strobe
Assistant Director
April 5, 2023