

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4207H.011
Bill No.: HB 1689
Subject: Taxation and Revenue - Sales and Use; Cities, Towns, and Villages
Type: Original
Date: January 5, 2024

Bill Summary: This proposal authorizes the City of Knob Noster to levy a transient guest tax upon voter approval.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
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 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
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 2025	FY 2026	FY 2027
Local Government	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

FISCAL ANALYSIS

ASSUMPTION

§67.1009 – Transient Guest Taxes

Officials from the **Office of Administration - Budget and Planning**, the **Department of Economic Development**, the **Department of Revenue**, the **Department of Public Safety (Missouri Veterans Commission)** and the **Missouri National Guard** 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 notes this section permits certain cities the ability to vote in a transient guest tax for promotion of the city. **Oversight** assumes the proposal permits the City of Knob Noster (Subdivision 3) to impose a transient guest tax, upon voter approval, of not more than 6% per occupied room, per night. The transient guest tax on the City of Knob Noster would be used for the promotion of tourism, economic development and the retention and growth of Whiteman Air Force Base. Therefore, **Oversight** will reflect a \$0 (no voter approval) or unknown amount of revenue (ballot proposal passed by the voters) to Knob Noster for this proposal. Oversight does not have enough information regarding sleeping rooms in Knob Noster to provide an estimate.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
CITY OF KNOB NOSTER			
<u>Revenue</u> –transient guest taxes – if approved by voters	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
ESTIMATED NET EFFECT ON THE CITY OF KNOB NOSTER	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>

FISCAL IMPACT – Small Business

There could be a direct fiscal impact to small businesses who are in the hotel/motel industry and would be subject to the transient guest tax upon voter approval as a result of this proposal.

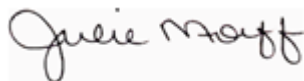
FISCAL DESCRIPTION

This proposal authorizes the City of Knob Noster to levy a transient guest tax upon voter approval.

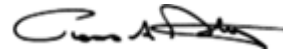
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration - Budget and Planning
Department of Economic Development
Department of Revenue
Department of Public Safety - Missouri Veterans Commission
Missouri National Guard



Julie Morff
Director
January 5, 2024



Ross Strobe
Assistant Director
January 5, 2024