

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3411H.01I
Bill No.: HJR 8
Subject: Taxation and Revenue - Property; Constitutional Amendments
Type: Original
Date: September 9, 2025

Bill Summary: This joint resolution proposes a constitutional amendment modifying the taxation of property.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue	\$0 or (More than \$8,000,000)*	\$0	\$0 or (Unknown, could exceed \$25,000)**
Total Estimated Net Effect on General Revenue	\$0 or (More than \$8,000,000)*	\$0	\$0 or (Unknown, could exceed \$25,000)**

*The potential fiscal impact “(More than \$8,000,000)” would be realized only if a special election were called by the Governor to submit this joint resolution to voters.

**Oversight notes the unknown cost to general revenue represents the potential costs to the STC to apply the proposed changes to real property assessment (pending voter approval). Overnight assumes this fiscal impact *could* be significant.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Blind Pension Fund (0621)	\$0	\$0	\$0 or greater or less than (\$8,736,404)
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0 or greater or less than (\$8,736,404)

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
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 2026	FY 2027	FY 2028
Local Government	\$0*	\$0	Unknown, greater or less than (\$1,934,221,246)**

*The potential fiscal impact to local election authorities (reimbursed by the state) would be realized only if a special election were called by the Governor to submit this joint resolution to voters.

**Given that property taxes are designed to be revenue neutral, this impact could be reduced if taxing authorities are able to adjust the tax levy relative to the assessed value to produce roughly the same revenue from the prior year.

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency 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.

Officials from the **Office of Administration - Budget and Planning** and the **Office of the State Auditor** did not respond to **Oversight's** request for fiscal impact for this proposal.

Officials from the **Department of Revenue (DOR)** note this legislation will eliminate the need for the Department to verify personal property tax payment when registering or renewing a motor vehicle, trailer, motorcycle, boat, and any other unit type that requires registration through the Department. This will require minimal administrative impact (revising procedures and staff/License Office training) that the Department will absorb. If the impact is greater than anticipated, funding will be requested through the appropriations process.

This legislation will also require system changes to eliminate the personal property tax payment requirement, which the Department estimates would be up to \$25,000 with the quick turnaround time for this fiscal note. If additional costs are estimated, a revised fiscal note will be submitted.

The Department defers to the State Tax Commission for any impact in personal property tax collections.

Upon further inquiry, **DOR** notes there could be an impact to the Property Tax Credit but due to time constraints and the bill being outside the Governor's call for special session, the Department won't be able to fully assess. The Department commits to further looking into this legislation and will provide updated numbers for the next legislative session or if the Governor expands the call.

Officials from the **Department of Social Services (DSS)** note the provisions of this amendment eliminate the assessment and collection of personal property taxes in Missouri. Additionally, the provisions of this legislation require the Missouri State Tax Commission (STC) to develop a tiered system for the valuation of real property.

The Blind Pension (BP) is funded from 0.03% (3 cents) of each \$100 assessed valuation of taxable property. Eliminating personal property taxes could impact the revenue collected for the BP fund.

According to the [2024 State Tax Commission Annual Report](#), \$29,129,195,898 of the \$151,673,672,937, or 19.21% ($\$29,129,195,898 / \$151,673,672,937 = 0.1921$) of total assessed

valuation of taxable property for the State of Missouri comes from personal property. In FY 2025, taxes collected for the BP fund was \$47,653,470. Therefore, approximately \$9,154,232 ($\$47,653,470 \times .1921 = (\$9,154,232.58 \text{ rounded up})$) of BP funding in property tax revenue is collected from personal property.

According to the STC, the fiscal impact of implementing the tiered system for real property valuations is unknown. If the tiered system results in an amount sufficient to offset the losses to the BP fund resulting from the elimination of personal property tax, the overall fiscal impact to the BP fund will be \$0.

Therefore, the fiscal impact to the Family Support Division (FSD) is \$0 -\$9,154,232 due to the provisions of this constitutional amendment.

Officials from **Office of the Secretary of State** assume, each year, a number of joint resolutions that would refer to a vote of the people a constitutional amendment and bills that would refer to a vote of the people the statutory issue in the legislation may be considered by the General Assembly.

Unless a special election is called for the purpose, Joint Resolutions proposing a constitutional amendment are submitted to a vote of the people at the next general election. Article XII section 2(b) of the Missouri Constitution authorizes the governor to order a special election for constitutional amendments referred to the people. If a special election is called to submit a Joint Resolution to a vote of the people, section 115.063.2 RSMo requires the state to pay the costs. The cost of the special election has been estimated to be \$8 million based on the cost of the 2022 primary and general election reimbursements.

The Secretary of State's office is required to pay for publishing in local newspapers the full text of each statewide ballot measure as directed by Article XII, Section 2(b) of the Missouri Constitution and Section 116.230-116.290, RSMo. Funding for this item is adjusted each year depending upon the election cycle. A new decision item is requested in odd numbered fiscal years and the amount requested is dependent upon the estimated number of ballot measures that will be approved by the General Assembly and the initiative petitions certified for the ballot. In FY 2014, the General Assembly changed the appropriation so that it was no longer an estimated appropriation.

For the FY26 petitions cycle, the SOS estimates publication costs at \$60,000 per page. This amount is subject to change based on number of petitions received, length of those petitions and rates charged by newspaper publishers.

The Secretary of State's office will continue to assume, for the purposes of this fiscal note, that it should have the full appropriation authority it needs to meet the publishing requirements. Because these requirements are mandatory, the SOS reserves the right to request funding to meet the cost of the publishing requirements if the Governor and the General Assembly again change the amount or continue to not designate it as an estimated appropriation.

Oversight has reflected, in this fiscal note, the state potentially reimbursing local political subdivisions the cost of having this joint resolution voted on during a special election in fiscal year 2026. This reflects the decision made by the Joint Committee on Legislative Research that the cost of the elections should be shown in the fiscal note. The next scheduled statewide general election is in November 2026 (FY 2027). It is assumed the subject within this proposal could be on this ballot; however, it could also be on a special election called for by the Governor (a different date). Therefore, Oversight will reflect a potential election cost reimbursement to local political subdivisions in FY 2026.

Officials from the **State Tax Commission (STC)** determined an unknown negative fiscal impact on the commission. The proposal totally revamps the way real property is assessed in the state of Missouri. Currently, county assessors are charged with assessing property at market value. This proposal requires the STC to move the state to a system of classifying property based on two key criteria, square footage and age. The STC is unsure of the cost of moving the state to this system, but the commission assumes that the STC would need to hold public hearings across the state to solicit input into the proposal by citizens. Mileage and hotel accommodations are some of the costs associated with holding public hearings. The commission would also assume some cost for contract labor or FTEs would be required to aid in this transition. At the current time, the STC is unsure of how many added FTEs might be needed due to the short notice of the hearing. The STC also assumes that counties would have costs associated with transitioning to a new system. New software would need to be installed and implemented to accommodate the new classification system of properties.

The proposal eliminates personal property taxes and shifts that burden onto real property owners. While the proposal is revenue neutral for the taxing jurisdictions reliant on property taxes because it allows an adjustment to each taxing jurisdiction's levy, it must be noted that property owners who own more personal property will be better off than property owners who own less personal property. This represents a shift of the burden of taxation among property owners.

The STC is also concerned about some of the logistics of implementing the new classification system. It must be noted that a property in some parts of the state are worth more than a similar house in another part of the state. For example, a 2000 square foot house in St Louis County is worth more than a house in more rural parts of Missouri, meaning setting up a classification system that brings in similar tax revenue across the state will be extremely difficult.

There are also some factors missing from the proposal. For example, agriculture is based on productivity value. However, some agriculture land not in production is currently assessed at the market value of the land multiplied by the assessment ratio of ag land, currently 12%. The STC also assumes that further questions will arise as the commission continues to review the proposal.

Oversight will show an unknown cost to the STC to implement a new system of classifying and assessing property. Oversight assumes the cost could exceed the \$250,000 threshold.

Oversight notes the provision allows the General Assembly to replace all or some portion of revenues lost by a political subdivision because of the prohibition on the levy or collection of a property tax on tangible personal property. However, Oversight assumes this would require implementing language and any fiscal impact would be calculated in the implementing language's fiscal note.

Oversight notes, per the State Tax Commission's [website](#), personal property tax was approximately 18.55% or \$1,934,221,246 of the total property burden (\$10,427,068,714 *.1855) and the total assessed value for personal property totaled \$29,121,345,204. (\$151,673,672,937 *.192). Oversight estimates the loss of personal property tax revenue to local political subdivisions could exceed \$1,934,221,246 (pending voter approval).

However, Oversight notes property tax revenues are designed to be revenue neutral from year to year. The tax levy is adjusted relative to the assessed value to produce roughly the same revenue from the prior year with an allowance for growth. Oversight assumes some taxing entities will be able to increase the tax rate levied on real property to make-up for the lost revenue. Therefore the revenue lost to the all taxing entities as a whole is likely less than the amount estimated above.

However, some taxing entities have tax rate ceilings that are at their statutory or voter approved maximum. For these taxing entities, any decrease in the assessed values would not be offset by a higher tax rate, rather it would result in a loss of revenue.

Oversight notes the Blind Pension Fund (0621) is calculated as an annual tax of three cents on each one hundred dollars valuation of taxable property ((Total Assessed Value/100)*.03). Because this proposal limits the assessed value portion of this equation, the Blind Pension Fund will experience a decrease in revenue relative to what it would have received under current law.

Oversight will show a range of impact to the Blind Pension Fund of \$0 (the tax burden is shifted to real property owners or not approved by voters) to a loss of \$8,736,404. (((\$29,121,345,204/100) * .03))

Oversight notes the next assessment cycle would not occur until calendar year 2027 with impacted revenues occurring in FY 2028 (due in December 2027). Oversight will show the impact to local political subdivisions beginning in FY 2028.

Oversight assumes there could be some savings to local assessment and collection authorities if they no longer have to assess and collect personal property tax (pending voter approval). Therefore, Oversight will show a range of impact of \$0 (not approved by voters) to an unknown savings for local political subdivisions.

In addition, **Oversight** assumes there could be costs to local assessment offices to implement a new method of assessment. Therefore, Oversight will show a range of impact of \$0 (not approved by voters) to an unknown cost for local political subdivisions.

Oversight notes this resolution makes several changes to the method of assessment for real property (pending voter approval).

Oversight notes, per the State Tax Commission's [website](#), real property tax was approximately 73.59% or \$7,673,279,867 of the total property burden \$10,427,068,714 *.7359). Oversight is unable to determine the fiscal impact of the proposed real property tax changes. Therefore, Oversight will show a range of \$0 (not approved by voters) to an Unknown loss or gain in revenue to local political subdivisions.

Officials from the **Joint Committee on Public Employee Retirement (JCPER)**'s review of HJR 5 indicates that its provisions may constitute a "substantial proposed change" in future plan benefits as defined in section 105.660(10). It is impossible to accurately determine the fiscal impact of this legislation without an actuarial cost statement prepared in accordance with section 105.665. Pursuant to section 105.670, an actuarial cost statement must be filed with the Chief Clerk of the House of Representatives, the Secretary of the Senate, and the Joint Committee on Public Employee Retirement as public information for at least five legislative days prior to final passage.

Officials from the **County Employees' Retirement Fund (CERF)** have reviewed HJR 5 (3399H.01I). Because of the short time frame between introduction of HJR 5 and the posting of the committee hearing, there was insufficient time for CERF's actuary to perform a cost study of HJR 5. CERF expects that if HJR 5 is passed by the General Assembly and approved by the voters, it would effectively eliminate taxation on personal property as of January 1, 2028.

HJR 5 would have a negative fiscal impact to the County Employees' Retirement Fund. A certain portion of the moneys that are used to fund the County Employees' Retirement Fund are tied to the collection of property taxes. By eliminating personal property tax and making changes to real property taxation, HJR 5 would significantly reduce the moneys that fund CERF. CERF notes that the amount of these revenues fluctuates from year to year. CERF notes that there is insufficient information and time to quantify the exact impact but CERF believes that the impact would be negative. CERF's actuary prepared a cost study for SJR 53 (2024), which similarly reduced and eliminated taxation on personal property. The actuary found that SJR 53 would have reduced CERF's revenue stream to about 55% of the current level. Under such a situation, while the value of retirement benefits earned in each year could be fully funded, there would be fewer contributions remaining to pay off the existing unfunded actuarial accrued liability and any increases from actual experience that is different than expected. CERF would expect the changes in HJR 5 to result in a deterioration of CERF's funding over time. Unless the funding is replaced with other sources, it has serious implications for CERF's sustainability including the possibility that the plan assets might be depleted and inability to pay retirement benefits as promised.

Officials from the **St Genevieve County Assessor** assume the elimination of Personal Property would result in a loss of revenue for the County of Ste Genevieve in the amount of \$9,400,000 based on the current 2025 assessed valuation and average tax rate for all taxing jurisdictions.

This HJR would affect 5 School districts, General Revenue, Mental Health & County Health programs, the county's local Hospital, Roads, Senior Citizen programs, and programs for the Handicapped with developmentally disabilities. This would be a major loss for Ste Genevieve County.

The elimination of Personal Property would ultimately shift the tax burden to taxpayers that own Real Estate, consisting of (but not limited to) homes, rental property, residential outbuildings, commercial businesses, ag buildings.

Officials from the **Washington County Assessor** assume Washington County has \$88,506,636 in personal property assessed valuation for 2025. This resolution takes that away from this county then the burden is going to fall on landowners. Somewhere this loss will have to be made up or Fire Districts, Hospitals, Ambulances, Senior Citizens, etc are going to feel the hit from this and a lot of entities are going to be struggling.

Officials from the **Polk County Clerk** assume the removal of Personal Property Taxes for all taxing districts within Polk County will result in a loss of \$6,000,000.00 to 31 various districts including schools, special road districts, fire districts, cities, junior college, library, health department, and senior services.

Shifting the tax burden solely on real property owners will encourage rent prices to increase again for homes, agriculture and commercial properties.

Officials from the **Florissant Valley Fire Protection District (FLOR) - St. Louis** assume a fiscal impact of an indeterminate amount.

In response to a similar proposal this session, (HJR 6), officials from the **Fruitland Area Fire Protection District (FRUI) - Cape Girardeau** noted the possibility of severe fiscal impact to the District was dependent on the tiers the district would fall into. In the district's budget process for the coming fiscal year, the district has identified areas that are anticipated to exceed the consumer price index. This alone has already created impacts to the district's budget, further cuts to taxes will only increase those deficits which will in turn affect services and staffing. The district does not have the infrastructure to offset property tax losses with sales taxes.

Officials from the **Hillsboro Fire Protection District** assume the proposed Joint Resolution (HJR) would eliminate personal property tax by 2028 and fundamentally alter how local governments collect revenue under the Hancock Amendment. While the proposals include a one-time levy adjustment ('bump'), the proposal eliminates new construction revenue and strictly cap growth to CPI. This change freezes district revenues even as service demand rises with new

housing, businesses, and population increases.

For the Hillsboro Fire Protection District (HFPD), this results in an immediate structural deficit of approximately \$363,359 in 2028, with losses compounding every year as new development generates zero additional revenue. Without constitutional language to exceed the current levy ceiling and to allow growth outside of Hancock, staffing, response capacity, and capital replacement will be severely impacted.

Projected Financial Impact

1) Elimination of Personal Property Tax (in 2028)

Annual revenue eliminated: \$354,175. This equals 19.7% of current operating revenue (\$1,797,362).

2) Elimination of New Construction Revenue

Under current law, new construction revenue is realized outside the Hancock cap and funds the service demands created by growth. At \$1,000,000 in new AV annually, the district should realize \$9,023 per year. Under the HJR framework, this is rolled back within Hancock and becomes \$0. The loss compounds each year as additional development occurs:

- Year 1: \$9,023
- Year 5: \$45,115
- Year 10: \$90,230

Total First-Year Shortfall (2028)

Component	Amount
Personal Property Tax Eliminated	\$354,175
New Construction Revenue Eliminated	\$9,023
Total	\$363,198

10-Year Revenue Forecast (Illustrative – based on current levy and CPI)

Year	Current Law Revenue	HJR – No Bump Above Cap	HJR – Bump Exceeds Cap
2028	\$1,797,362.0	\$1,434,165.0	\$1,797,362.0
2029	\$1,851,319.0	\$1,470,019.0	\$1,842,296.0
2030	\$1,906,625.0	\$1,506,769.0	\$1,888,353.0
2031	\$1,963,314.0	\$1,544,438.0	\$1,935,562.0
2032	\$2,021,420.0	\$1,583,049.0	\$1,983,951.0
5-Year Totals	Current Law	HJR – No Bump	HJR – Bump Exceeds Cap
	\$9,540,040	\$7,538,440	\$9,447,524

Officials from the **Blue Springs School District** assume the following:

	5319	% change
FY25	8,383,174.65	29.97%
FY24	6,450,325.40	7.81%
FY23	5,982,937.30	-1.03%
FY22	6,045,159.95	3.74%
FY21	5,827,306.75	28.23%
FY20	4,544,353.63	-21.03%
FY19	5,754,246.09	-0.88%
FY18	5,805,086.53	3.16%
FY17	5,627,450.72	4.34%
FY16	5,393,440.28	

Average change

6.03%					
PROJECTED	% gaming to schools				
FY26	100%	8,889,068.30			
FY27	100%	9,425,490.76	Loss of 10%		Difference
FY28	100%	9,994,284.34	90%	8,994,855.91	(999,428.43)
FY29	100%	10,597,402.51	90%	9,537,662.26	(1,059,740.25)
FY30	100%	11,236,916.64	90%	10,113,224.97	(1,123,691.66)
					(3,182,860.35)

Further, officials from the **Blue Springs School District** assume the following impact to personal property tax revenue:

Prediction for FY27	15,484,846.84
Prediction for FY28	15,738,353.08

Officials from the **Concordia R-2 School District** assume the district will lose \$795,000 in the first year in personal property taxes if this is enacted.

Officials from the **Fulton 58 School District** assume personal property tax accounts for approximately 25% of all local revenue for the school district and 10% of the district's overall annual revenue. The estimated current loss in annual revenue from the loss of personal property tax is \$3,000,000.

Officials from the **Glenwood R-VIII School District** note the Glenwood assessed valuation is \$42,288,474. Of that total amount, \$11,332,534 is from personal property. If personal property becomes exempt for taxation purposes, this will cost the Glenwood R-VIII School District at least \$388,000 in local tax effort revenue per fiscal year. This would decimate the operating budget for the district. The district already operates on a minimal operating levy of \$2.94 per \$100 of assessed valuation, usually with a break even budget each year.

In response to a similar proposal this session, (HJR 6), officials from the **Green Forest R-VIII School District** assumed eliminating personal property taxes will have a huge impact on the school funding. Currently the district's assessed valuation is just over \$27 million dollars. \$8.4 million of that is personal property. The increase required on real property to make up for that lost revenue will be significant. The district assumes the complete loss of personal property taxes will result in about \$200,000 in lost revenue a year. This is around 8-10% of the total revenues that the district collects. Extremely significant.

Officials from the **Hancock Place School District** assume the following fiscal impact:

Prediction for FY28	63,183.71
Prediction for FY29	65,206.21
Prediction for FY30	67,293.45

In response to a similar proposal this session, (HJR 5), officials from the **Jasper Co. R-V School District** assumed based on a 5-year average, the estimated loss of personal property revenues to Jasper R-5 School District is \$1,074,711.17 in FY27 and \$1,236,737.09 in FY28.

In a district that employs 39.5 FTE teachers, that would be the loss of approximately 20 teachers. This would devastate Jasper as a school district and as a community.

Officials from **Joplin Schools** note working on the assumption the effective date of this bill is January 1, 2027, if passed, and utilizing ten years of assessment and collection date, Joplin Schools anticipates the following reductions in revenue:

Prediction for FY27	\$13,398,892.96
Prediction for FY28	\$14,061,323.00

Officials from **Kansas City Public Schools** assume the fiscal impact of HJR 5 on The School District of Kansas City 33 d/b/a Kansas City Public Schools is estimated as a loss of approximately \$138,693,256, which represents a 48% decrease in revenue that would result in the inability to continue operations.

In response to a similar proposal this session (HJR 7), officials from the **Kearney R-I School District** noted the below impact on Kearney School District based on the following known information: 100% Classroom Trust for FY25 is \$1,965,00.

Estimated revenue from gaming activities for FY26 is \$2,000,000 at 100% funding.

Estimated revenue from gaming activities for FY26 is \$1,800,000 at 90% funding.
Estimated loss of revenue is \$200,00 (approximately three classroom teachers).

Officials from the **Ladue School District** assume that the district is 94% locally funded, and personal property taxes generate approximately \$8.5 - \$9 million in annual revenue, eliminating this funding source without a new, sustainable replacement would create a significant financial gap.

Officials from the **Lee's Summit R-VII School District** assume HJR 5 proposes to remove all personal property taxes and to only assess and tax real property in the state of Missouri.

Removing the taxes from personal property has both an impact on yearly revenue for taxing entities and also to the bonding capacity of those taxing entities.

For example, if personal property was removed from the assessed valuation of the Lee's Summit School District, that would mean \$471,449,217 of the assessed valuation would be removed.

That \$471,449,217 will generate \$22,342,449.84 of operating and debt service revenue during tax year 2025 for the students and staff members of the school district. Additionally, if that \$471,449,217 is removed from the assessed valuation, the Lee's Summit R7 School district bonding capacity will be reduced by \$70,717,382.55 for tax year 2025.

Both of these issues negatively impact the school district from a financial perspective.

In order to remedy this issue, the HJR proposes a one time tax levy increase in order to offset the lost revenue. That would take a one time levy increase of 0.7211 and that will impact all residents of the school district. For a homeowner of a \$300,000 home, that increase would cause their real property tax bill to increase by \$411.03. The assumption would be that it would be offset by the reduction in their personal property tax bill. That assumes the homeowner has enough personal property to offset that increase. That is an assumption that would not be universal for all taxpayers.

Regardless of the levy increase, the reduction to the bonding capacity would be impacted. There is no remedy for that issue.

Officials from the **Liberty 53 School District** note working on the assumption the effective date of this bill is January 1, 2027, if passed, and utilizing ten years of assessment and collection data, Liberty 53 School District anticipates the following reductions in revenue:

Predicted Reduction for FY27	\$ 17,412,213.77
Predicted Reduction for FY28	\$ 18,517,609.51

Further, officials from the Liberty 53 School District estimate the fiscal impact for fiscal years 2027, 2028 and 2029 to be as follows:

Revenue Losses:

Working on the assumption of Lotto money increasing utilizing ten years of revenue data collection date, Liberty 53 School District anticipates the following reductions in revenue:

YEAR	% gaming to schools	Projected Revenue	Proposed % Gaming to Schools	HJR7 Calculated Revenue	Revenue Lost
FY28	100%	\$ 8,319,826.88	90%	\$ 7,487,844.20	\$ (831,982.69)
FY29	100%	\$ 8,818,937.39	90%	\$ 7,937,043.65	\$ (881,893.74)
FY30	100%	\$ 9,347,989.78	90%	\$ 8,413,190.80	\$ (934,798.98)
Three Year Cumulative Lost Revenue					\$ (2,648,675.40)

Officials from the **Neosho School District** assume HJR 5 will have a profound impact on the Neosho School District. Based on the district's tax levy of \$3.73 and a current combined Personal Property Valuation in Newton and McDonald Counties of \$127,190,191 the district is projecting the following:

Current Year (FY 26) - \$4,743,558
 FY 27 - \$4,980,736
 FY 28 - \$5,229,773
 FY 29 - \$5,491,262
 FY 30 - \$5,765,825

Please note that these calculations are based on no changes to the district's tax levy and an average of 5% increase on Property Taxes year over year. Eliminating Personal Property taxes would effectively eliminate 7.5% of the budget of the District. \$5,000,000 covers approximately 100 teacher salaries at \$50,000 per teacher.

The resolution's removal of 10% of the gaming income from the Classroom Trust Fund will have the following impact on Neosho School District:

Projected FY 26 CTF - \$2,656,781
 FY 27 - \$2,876,944
 FY 28 - \$3,115,352 \$2,803,817 w/HJR 7 loss of \$311,535
 FY 29 - \$3,373,517 \$3,036,165 w/ HJR 7 loss of \$337,352
 FY 30 - \$3,653,075 \$3,287,767 w/HJR 7 loss of \$365,307

Loss to Neosho School District over 3 years: \$1,014,194

These funds are critical to the district's ability to provide a quality education to the district's students in quality facilities.

Officials from the **New Haven School District** note the following fiscal impacts:

Personal Property Fiscal Years Tax Year	FY26 2025	FY25 2024	FY24 2023	FY23 2022	FY22 2021	FY21 2020	FY20 2019	FY19 2018	FY18 2017	FY17 2016
Tax Rate Levied - Operating	3.9025	3.9444	3.9444	3.8706	3.8344	4.05	3.8064	4.05	4.0199	4.05
Tax Rate Levies - Debt Service	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.7801	0.75
Total Tax Rate Levies	4.6525	4.6944	4.6944	4.6206	4.5844	4.8	4.5564	4.8	4.8	4.8
Personal Property	8,772,666.00	8,358,509.00	8,735,475.00	9,267,298.00	8,105,898.00	7,166,498.00	6,768,451.00	6,323,578.00	6,305,214.00	6,040,479.00
Collection - Operating	342,353.29	329,693.03	344,562.08	358,700.04	310,812.55	290,243.17	257,634.32	256,104.91	253,463.30	244,639.40
Collection - Debt Service	65,795.00	62,688.82	65,516.06	69,504.74	60,794.24	53,748.74	50,763.38	47,426.84	49,186.97	45,303.59
Total Collection	408,148.29	392,381.85	410,078.14	428,204.77	371,606.79	343,991.90	308,397.70	303,531.74	302,650.27	289,942.99
% Change from Prior Year	4.02%	-4.32%	-4.23%	15.23%	8.03%	11.54%	1.60%	0.29%	4.38%	
Average Change:	4.06%									
Prediction for FY27	424,722.15									
Prediction for FY28	441,969.03									

HJR7 Calculations for Fiscal Impact

Assumptions: Uses an average of the last ten year change in CTF revenue. Assumes the allocation will continue to increase at this average rate for the next five years.

Pull object 5319 from annual ASBR

	5319	% change	Average change				
FY25	254,499.87	18.52%	4.69%				
FY24	214,736.36	8.28%					
FY23	198,315.79	-1.04%		PROJECTED	% gaming to schools		
FY22	200,390.93	3.76%		FY26	100%	266,440.26	
FY21	193,137.38	23.70%		FY27	100%	278,940.86	
FY20	156,136.41	-18.83%		FY28	100%	292,027.95	Loss of 10%
FY19	192,364.37	-2.54%		FY29	100%	305,729.05	90%
FY18	197,370.94	4.18%		FY30	100%	320,072.96	90%
FY17	189,445.02	6.20%					262,825.15
FY16	178,392.01						275,156.14
							288,065.66
							(29,202.79)
							(30,572.90)
							(32,007.30)
							(91,783.00)

Officials from the **New Franklin R-1 School District** assume based on current revenue figures, the elimination of personal property tax would result in an estimated annual loss of \$560,661 to the district.

This reduction would significantly affect the district's ability to sustain existing programs, maintain facilities, and support student learning. Personal property revenue is a vital funding source for the district's operations, and its loss would create a substantial financial shortfall that would be difficult to replace without directly impacting students and staff.

Officials from the **North Kansas City School District** assume the following fiscal impact:

Prediction for FY27	38,761,752.04
Prediction for FY28	39,338,725.90

The district notes the above estimate (just under \$40 million) of the total amount of tax collected from Personal Property in the North Kansas City School District. Based on the language above

the North Kansas City School District would have to make a one-time adjustment to its levy to account for the amounts estimated in the attached spreadsheet.

Additionally, the district assumes an estimate of the value of 10% of the Classroom Trust Fund (approximately \$1.3 million annually) the District estimates as the impact in the next two years per the language in HJR 5.

Officials from the **Orchard Farm R-V School District** assume the following fiscal impacts:

Prediction for FY27 \$35,886,957.68

Prediction for FY28 \$39,532,171.95

In response to a similar proposal this session, (HJR 6), officials from **Parkway Schools** assumed the elimination of personal property tax would result in a significant and permanent reduction in Parkway's operating revenue, negatively impacting its ability to fund essential educational services.

The projected revenue loss for the Parkway School District is as follows:

- Fiscal Year 2027 (FY27): -\$33,925,997
- Fiscal Year 2028 (FY28): -\$35,642,857

This projected revenue loss represented a direct and substantial decrease in the funding available for student education, teacher salaries, and school facility maintenance. The removal of this revenue stream would necessitate a combination of cost-cutting measures, including potential staff reductions, program cuts, and deferred maintenance.

Officials from the **Platte School District** assume the following fiscal impacts:

Prediction for FY27	\$1,785,018.48
Prediction for FY28	\$1,857,417.47

Officials from the **Raymore-Peculiar R-II School District** assume the estimated 10 year impact of an elimination of personal property tax and associated revenue is 72 million for the Ray-Pec School District.

Officials from the **Republic R-III School District** assumed for the Republic School District in the 24-25 school year the district received about 8.5% of revenue from personal property tax. This equates to approximately \$5.5 million dollars. A revenue decrease of this type would certainly need to be offset with an increase in real property taxes. Losing \$5.5 million would have to come from cuts to personnel in order to make the district's budget work.

Officials from the **Sedalia 200 School District** assume based the Sedalia School District's personal property assessed valuations for this past year, an elimination of this tax would realize a loss of revenue at an estimated \$5,037,408.

Officials from the **Ste. Genevieve County R-II School District** assume the following:

HJR7 Calculations for Fiscal Impact

Assumptions: Uses an average of the last ten year change in CTF revenue. Assumes the allocation will continue to increase at this average rate for the next five years.

Pull object 5319 from annual ASBR

	5319	% change	Average change 5.67%					
FY25	1,024,989.91	32.03%						
FY24	776,322.23	6.46%						
FY23	729,221.82	-1.04%						
FY22	736,852.24	3.75%						
FY21	710,202.41	27.49%						
FY20	557,066.15	-20.38%						
FY19	699,682.95	-0.37%						
FY18	702,308.75	-1.13%						
FY17	710,363.02	4.20%						
FY16	681,708.56							
				PROJECTED	% gaming to schools			
				FY26	100%	1,083,083.75		
				FY27	100%	1,144,470.20		
				FY28	100%	1,209,335.89	90%	1,088,402.30
				FY29	100%	1,277,877.99	90%	1,150,090.19
				FY30	100%	1,350,304.89	90%	1,215,274.40
								Difference
								(120,933.59)
								(127,787.80)
								(135,030.49)
								(383,751.88)

Officials from the **Warsaw R-IX School District** assume with the removal of personal property from local revenue, Warsaw R-IX School District would be scheduled to lose the total amount below for each fiscal year:

FY26 - \$2,224,074.43
 FY27 - \$2,318,839.97
 FY28 - \$2,417,643.36

This change will also impact debt service revenue, which will make it more difficult to cover recent bond payments over time.

Officials from the **Wentzville R-IV School District** assume the elimination of personal property taxes will reduce the tax collections for the Wentzville School District by over \$25,000,000 per year. These calculations are based on 2025 Assessed Value and proposed tax rates.

Officials from the **Worth County R-III School District** assume the district will lose \$520,000 in personal property tax revenue with this bill. That is 12% of the district's revenue and one of the only sources to see increase in revenue as a hold harmless school district.

Officials from the **Adair County SB 40 DD Board** assume a reduction in funding from personal property and/or real property taxes would have significant consequences on critical support for individuals with intellectual and developmental disabilities (IDD), limiting access to critical support for those who rely on them. Senate Bill 40 organizations such as Adair County SB40 Developmental Disability assess local needs and nurture a strong network of high-quality services that are essential to over 460 people with IDD and their families.

These services, supported by personal property taxes, include employment opportunities, inclusive community programs, and vital resources for families.

The broader implications for individuals, families, and the community must be carefully considered before any changes to the funding mechanisms are implemented. If reductions in personal property and/or real property taxes are pursued, it is imperative to establish a

sustainable and equitable mechanism to replace this funding. Doing so will ensure that Senate Bill 40 organizations can continue fulfilling their critical mission of supporting individuals with IDD and their families.

Officials from the **Calloway County SB 40 Board** assume a reduction in revenue from personal or real property taxes would have profound and lasting consequences for individuals with intellectual and developmental disabilities (IDD) who depend on essential services funded through local levies. Senate Bill 40 organizations, like Calloway County Special Services (CCSS), were created to assess local needs and invest in a coordinated network of high-quality, person-centered supports across the lifespan.

In 2024, Calloway County's SB40 levy generated \$1,085,380, with \$303,103, 27.9% of the total, coming from personal property taxes. Eliminating personal property taxes would result in a direct annual loss of \$303,103 for CCSS, with no guaranteed mechanism for replacement. This jeopardizes nearly one-third of the county's levy base and compromises essential services that individuals with IDD and their families rely upon.

CCSS currently serves more than 200 individuals with an IDD diagnosis, but the ripple effects extend to families, caregivers, employers, educators, and community partners. Through its levy, CCSS funds day programs (including medically fragile initiatives), inclusive employment, transportation partnerships providing more than 12,000 trips annually, social and recreational opportunities, life skills development, and family support.

Any changes to funding mechanisms must come with a sustainable, equitable replacement.

Failing to protect this funding jeopardizes more than programs, it undermines the mission entrusted to SB40 organizations: to support individuals with IDD.

Officials from the **Clinton County SB 40 Board** assume a reduction in funding from personal property and/or real property taxes would have significant consequences on critical supports for individuals with intellectual and developmental disabilities (IDD), limiting access to critical supports for those who rely on them. Senate Bill 40 organizations such as Clinton County Senate Bill 40 Board, assess local needs and nurture a strong network of high-quality services that are essential to over 144 people with IDD and their families.

These services, supported by personal property taxes, include employment opportunities, inclusive community programs, and vital resources for families.

The broader implications for individuals, families, and the community must be carefully considered before any changes to the funding mechanisms are implemented. If reductions in personal property and/or real property taxes are pursued, it is imperative to establish a sustainable and equitable mechanism to replace this funding. Doing so will ensure that Senate Bill 40 organizations can continue fulfilling their critical mission of supporting individuals with IDD and their families. 22 % of the tax levy comes from personal property tax.

Officials from the **Jackson County SB 40 Board** assume a reduction in funding from personal property taxes would have a serious impact on the critical support available to individuals with intellectual and developmental disabilities (IDD). Senate Bill 40 organizations, like Developmental Disability Services of Jackson County – eitas, play a vital role in assessing local needs and building a strong network of services for more than 3,000 people with IDD and their families. This particular legislation would take 16% of the tax levy from the most vulnerable of the county’s citizens resulting in almost \$2,000,000 of loss to an already underfunded system.

These tax dollars directly support programs such as employment opportunities, inclusive community activities, and resources for families.

Before making changes to funding mechanisms, it’s important to fully consider the impact on individuals, families, and the broader community. If reductions in personal or real property taxes are pursued, there must be a reliable and fair replacement for this revenue. Without that, SB40 organizations cannot continue their essential mission of supporting individuals with IDD and the families who care for them.

Officials from the **Jasper County SB 40 Board** note the Developmental Disability Resource Board of Jasper County and serves over 1,240 individuals in Jasper county who have developmental disabilities. The county relies on property tax revenues to help fund resources and support for the people the county serves. A reduction in funding from personal property and/or real property taxes would have significant consequences on critical support for individuals with intellectual and developmental disabilities (IDD) by limiting access to critical resources.

The services funded through personal property taxes provide jobs, community programs, therapies, and essential resources for families.

Any changes to how these services are funded must be carefully considered for the impact they may have on individuals, families, and the community. If reductions to personal or real property taxes are made, a fair and dependable replacement for this funding will be necessary. This will ensure that Senate Bill 40 organizations can continue supporting people with IDD and their families.

Officials from the **Lawrence County SB 40 Board** assume this proposed legislation would create a serious hardship in providing services for Lawrence county. In 2024, the county’s total projected levy was \$547,598.00. \$145,528.00 of that came from personal property tax. That comes out to approximately 27%, nearly 1/3 of the county’s projected budget. The county is a very rural county and there is no way it could make up that amount of money by any other means. As the board can appreciate the feeling of being taxed to death by property and real estate taxes, the developmentally disabled population in Lawrence county need the services the board provides to help them thrive and live their best lives.

Officials from the **Marion County SB 40 Board** assume reducing or eliminating taxation of property have significant consequences on critical support for individuals with intellectual and developmental disabilities (IDD), limiting access to critical support for those who rely on them. Senate Bill 40 organizations such as Marion County Services for the Developmentally Disabled (MCSDD) assess local needs and nurture a strong network of high-quality services that are essential to over 325 people with IDD and their families in Marion County.

MCSDD has an authorized rate cap of .1400. The current authorized tax for Marion county is 0.1258, which is already a drastic reduction since last year of 0.1300. Based on last year's figures this is a loss of \$191,339 in revenue which could make a difference in an individual receiving medical equipment that has no other funding resources to access.

With the state already making reductions in funding support to the IDD population, this would be another detrimental impact to those who have the right to quality of life. MCSDD has not received a rate increase for Target Case Management services (an essential service) since 2015. Another cut in revenue could be fatal to essential funding. This proposed reduction of funding literally could eliminate the ability to provide necessary services for individuals with intellectual and developmental disabilities.

These services, supported by local tax rate levies, which currently include taxation on personal property, include employment opportunities, inclusive community programs, and vital resources for families.

The broader implications for individuals, families, and the community must be carefully considered before any changes to the funding mechanisms are implemented. If reductions in local tax rate levies are pursued, it is imperative to establish a sustainable and equitable mechanism to replace this funding. Doing so will ensure that Senate Bill 40 organizations can continue fulfilling their critical mission of supporting individuals with IDD and their families.

In response to a similar proposal this session, (HJR 5), officials from the **Ray County SB 40 Board** note the Ray County Board of Services for the Developmentally Disabled is a SB40/DDRB tax levy board that was created by passing the SB40 language by vote in August 1984. Like many Counties throughout the Great State of Missouri, Ray County passed that legislation, establishing the SB40/DDRB, to provide for a sheltered workshop, residential facilities and/or numerous related services that include transportation services, community integration supports and a Day Habilitation program. Over time, Ray County, like many other SB40/DDRBs, entered into contractual agreements with the Departmental Health to assist in funding developmental disability services, and the Partnership for Hope agreement, which is wholly funded by the tax levy.

The current Ray County SB40/DDRB tax levy is approximately \$800, 00.00 equaling approximately \$600,000.00 real property tax and \$200,000.00 personal property tax. That \$200,000.00 represents 25%. With the full elimination of the personal property tax, Ray County will be forced to cut all tax levy funded services by 25%. Any reductions, real or personal

property tax, will cause a similar reduction in funding for services. These are real dollars that are applied to help keep people healthy and safe, out of nursing homes or habilitation centers, and provide real world community services to the citizens of Ray County diagnosed with a developmental disability.

In response to a similar proposal this session, (HJR 5), officials from the **St Genevieve County SB 40 Board** assumed a reduction in funding from personal property and/or real property taxes would have significant consequences on critical supports for individuals with intellectual and developmental disabilities (IDD), limiting access to critical supports for those who rely on them. Senate Bill 40 organizations such as Ste. Genevieve County Senate Bill 40 Board assess local needs and nurture a strong network of high-quality services that are essential to over 150 people with IDD and their families.

These services, supported by personal property taxes, include employment opportunities, inclusive community programs, and vital resources for families.

The broader implications for individuals, families, and the community must be carefully considered before any changes to the funding mechanisms are implemented. If reductions in personal property and/or real property taxes are pursued, it is imperative to establish a sustainable and equitable mechanism to replace this funding. Doing so will ensure that Senate Bill 40 organizations can continue fulfilling their critical mission of supporting individuals with IDD and their families.

Officials from the **St Louis City SB 40 Board** assume the elimination of personal property tax would have a significant impact on the budget for the St. Louis Office for Developmental Disability Resources. Elimination would decrease the city's budget by \$1.7M annually and would cause the city to have to reduce funding to agencies, decreasing or eliminating the critical services that are available to people with developmental disabilities in the city of St. Louis.

Officials from the **St Louis County SB 40 Productive Living Board** assume reductions in personal property and/or real property taxes would severely impact essential services for individuals with intellectual and developmental disabilities (IDD) in the community. Senate Bill 40 organizations, such as the Productive Living Board for St. Louis County Citizens with Developmental Disabilities, assess local needs and maintain a strong network of services that support over 4,600 individuals with IDD and their families.

In FY24, PLB received 74% of its revenue from Real Property taxes and 16% from Personal Property taxes. 91 cents of every dollar is used for services in the local community. These services, including employment opportunities, independent living support, and other critical resources, rely entirely on funding from property taxes. Any reduction in this funding would limit access to these services, directly impacting the independence and quality of life for individuals with IDD. Moreover, these services help keep families intact, preventing costly residential placement.

Before any changes to the property tax system are made, it is vital to identify a sustainable replacement to avoid jeopardizing essential services.

Officials from the **Daniel Boone Regional Library** assume HJR 5 proposes to remove personal property tax, which would have a significant impact on the Daniel Boone Regional Library's revenue and ability to provide programs and services to the library's patrons. For the Columbia-Boone County Library that decrease would be \$2,345,634.06, as a example for 2025 (based on known personal property tax assessed valuation) for the Callaway County Public Library the decrease would be \$807,524.67. The total decrease for the Daniel Boone Regional Library system would be \$3,153,159 or 21% of the library's operating budget.

Officials from the **Mid-Continent Public Library** assume based on 2024 AV, the library's personal property revenue was \$3.7 million. The library's understanding of this bill is that it would lose that amount of revenue if the voters approved the language in this bill and the Legislature did not vote to restore that revenue. This would then compound annually as lost future revenue.

Officials from the **Rolling Hills Consolidated Library** assume this bill would reduce the library's total tax valuation by 28.6%. This would be a loss of over \$800,000 per year in total tax income if the library's levy remained the same. It would require the library to raise the library's levy rate from \$.27 to \$.40, a 47% increase, to bring in the same level of income as FY2026 to fund public library services to the library's district, assuming the real property assessed value would remain at a similar level. The introduction of "tiers" is a fuzzy concept at best without concrete examples of how 10 levels would provide the tax funding needed for vital public services. A major change in funding public entities such as this requires careful study and critical calculations to make sure communities are not harmed by a reduction in income. There appears to be no guarantee that political subdivisions can count on lost income being restored, and therefore the library must conclude that this bill would be detrimental to the provision of public library services in the library's district

Officials from the **Springfield-Greene County Library District** assume the timeframe for providing for a response to this legislation is too quick to conduct quality analysis of the impact.

The rough estimate of the proposed change will result in approximately \$3M in tangible and intangible revenue loss for the District. While a one-time opportunity to transition the lost revenue to personal property taxes is provided by the legislation, the ability to clearly identify the tax rate that would equal lost revenue amount is very difficult to identify. It will put significant stress on county officials to accurately identify the tax rate that will offset the loss.

Transitioning from the current assessed value to a classification system is full of unknowns which makes it impossible to assess the impact of this change to the budget. What is the tax rate for each classification category, which property fits into which category, how many properties are in each category, etc. The nebulousness of this proposal makes assessing the impact

impossible. There will be an impact, but it is impossible to accurately reflect the impact for the library district.

Officials from the **University City Public Library** assume the fiscal impact of HJR 5, (3399H.01I) would be negative and large for the University City Public Library. The district estimates that it would have a 13% reduction in revenue. This would result in some layoffs of staff, and reduction in services for the library's patrons. The Library passed its current tax rate in 2019, with close to 80% of voters voting in favor of this, so the library does not believe that this is what the library's tax payers want.

Additionally, for the proposed HJR 5 and other proposed HJRs, it is unclear in the text of the legislation how Hancock rollback of tax levies would work with one-time increases, how would the reduction in the levy to account for the "unprecedented increases in personal property assessed valuation caused by the Covid-19 pandemic" work, what solutions the legislature might offer to help subdivisions of the state deal with lost revenue to help services continue, among other questions.

Officials from the **City of Gladstone** note as written, it appears as though it would cause a reduction of approximately \$750,000 of revenue from Gladstone's annual budget. This equates to approximately 7 police officer or paramedic/firefighter positions.

Officials from the **City of Kansas City** assume the proposed legislation will have a negative fiscal impact of \$31 million (assuming a 92 percent collection rate) for personal property and because the legislation does include property rates and tiers, it is assumed that this will have and an indeterminate negative fiscal impact for the real property.

Officials from the **City of Springfield** assume personal property taxes amount to \$4.5 to \$4.8 million each year. Because it is unclear how the "one-time adjustment" would be implemented, and because the General Assembly may or may not decide to replace revenues lost from the prohibition of personal property taxes, it is assumed the City of Springfield will lose \$4.5 to \$4.8 million in yearly revenue.

Officials from the **City of St. Louis Senior Citizens' Service Fund** assume the elimination of personal property would decrease the City Senior Fund revenue by \$689,986 annually. Therefore, decreasing the funding for agencies providing critical services to older adults, age 60+ in the City.

Officials from the **Missouri House of Representatives, St. Louis County Police Dept**, and the **Missouri Senate** 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 only reflects the responses received from state agencies and political subdivisions; however, other county assessors, county collectors, school districts, fire protection districts, and

other local political subdivisions were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
GENERAL REVENUE FUND			
<u>Transfer Out</u> - SOS - reimbursement of local election authority election costs if a special election is called by the Governor	\$0 or (More than \$8,000,000)	\$0	\$0
<u>Potential Costs</u> – DOR – Eliminate personal property tax payment requirement for motor vehicles if , approved by voters	\$0	\$0	\$0 or (\$25,000)
<u>Potential Costs</u> – STC – Changes to real property assessment (costs for public hearings, contract labor, new system software) if , approved by voters	\$0	\$0	\$0 or (Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$0 or (More than \$8,000,000)</u>	<u>\$0</u>	<u>\$0 or (Unknown, could exceed \$25,000)</u>
BLIND PENSION FUND			
<u>Potential Loss</u> - No personal property tax collected, if approved by voters	\$0	\$0	\$0 or could exceed (\$8,736,404)
<u>Potential Loss or Gain</u> – Changes to real property assessment, if approved by voters	\$0	\$0	\$0 or (Unknown) to Unknown
ESTIMATED NET EFFECT ON BLIND PENSION FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0 or greater or less than (\$8,736,404)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
LOCAL POLITICAL SUBDIVISIONS			
<u>Potential Costs</u> - Local taxing entities – to administer the changes in assessment, if approved by voters	\$0	\$0	\$0 or (Unknown)
<u>Potential Savings</u> – No longer assessing/collecting tax on personal property, if approved by voters	\$0	\$0	\$0 or Unknown
<u>Potential Loss</u> - No personal property tax collected, if approved by voters	\$0	\$0	\$0 or could exceed (\$1,934,221,246)
<u>Potential Loss or Gain</u> – Changes to real property assessment, if approved by voters	\$0	\$0	\$0 or (Unknown) to Unknown
<u>Transfer In</u> - Local Election Authorities - reimbursement of election costs by the State for a special election	\$0 or More than \$8,000,000	\$0	\$0
<u>Costs</u> - Local Election Authorities - cost of a special election if called for by the Governor	\$0 or (More than \$8,000,000)	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>\$0*</u>	<u>\$0</u>	Unknown, greater or less than <u>(\$1,934,221,246)**</u>

*The potential fiscal impact to local election authorities (reimbursed by the state) would be realized only if a special election were called by the Governor to submit this joint resolution to voters.

**Given that property taxes are designed to be revenue neutral, this impact could be reduced if taxing authorities are able to adjust the tax levy relative to the assessed value to produce roughly the same revenue from the prior year.

FISCAL IMPACT – Small Business

Oversight assumes there could be a fiscal impact to small businesses if the change in assessed value resulted in an adjustment in the tax rate(s). Small businesses that pay personal property taxes could be positively impacted by this proposal.

FISCAL DESCRIPTION

The proposed legislation proposes a constitutional amendment modifying the taxation of property.

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

State Tax Commission
Department of Social Services
Department of Revenue
Joint Committee on Public Employee Retirement (JCPER)
Office of the Secretary of State
Joint Committee on Administrative Rules
Missouri House of Representatives
Missouri Senate
County Employees' Retirement Fund (CERF)
Mid-Continent Public Library
Daniel Boone Regional Library
Rolling Hills Consolidated Library
Springfield-Greene County Library District
University City Public Library
City of Gladstone
City of Kansas City
City of Springfield
Polk County Clerk
St Genevieve County Assessor
Washington County Assessor
Joplin Schools
Glenwood R-Viii School District
Green Forest R-Viii School District
Kansas City Public Schools
Ladue School District
Fulton 58 School District
Ste. Genevieve County R-II School District
Hancock Place School District

Liberty 52 School District
New Franklin R-1 School District
New Haven School District
Raymore-Peculiar R-Ii School District
Republic R-Iii School District
Sedalia 200 School District
Wentzville R-Iv School District
Worth Co. R-Iii School District
Jasper Co. R-V School District
Warsaw R-Ix School District
Orchard Farm R-V School District
Parkway Schools
Platte School District
Concordia R-2 School District
Neosho School District
North Kansas City School District
Blue Springs School District
Lee's Summit R-Vii
Adair County SB 40 DD Board
Calloway County SB 40 Board
Jasper County SB 40 Board
Lawrence County SB 40 Board
Marion County SB 40 Board
Ray County SB 40 Board
St Genevieve County SB 40 Board
St Louis City SB 40 Board
St Louis County SB 40 Productive Living Board
Florissant Valley Fire Protection District (FLOR) - St. Louis
Hillsboro Fire Protection District
St. Louis County Police Dept
City of St. Louis Senior Citizens' Service Fund

Julie Morff
Director



Jessica Harris
Assistant Director
September 9, 2025