

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3897S.03C  
 Bill No.: SCS for HB 1707  
 Subject: Taxation and Revenue - Sales and Use  
 Type: Original  
 Date: April 29, 2026

Bill Summary: This proposal modifies provisions relating to the exclusion of certain transactions from sales tax.

**FISCAL SUMMARY**

**ESTIMATED NET EFFECT ON GENERAL REVENUE FUND**

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2034)
General Revenue	(Could exceed \$26,003,396)	(Could exceed \$34,647,718)	(Could exceed \$34,647,718)	(Could exceed \$34,647,718)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(Could exceed \$26,003,396)</b>	<b>(Could exceed \$34,647,718)</b>	<b>(Could exceed \$34,647,718)</b>	<b>(Could exceed \$34,647,718)</b>

**ESTIMATED NET EFFECT ON OTHER STATE FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2034)
School District Trust Fund (1688)	(Could exceed \$8,661,929)	(Could exceed \$11,549,239)	(Could exceed \$11,549,239)	(Could exceed \$11,549,239)
Conservation Commission Fund (1609)	(Could exceed \$1,082,741)	(Could exceed \$1,443,655)	(Could exceed \$1,443,655)	(Could exceed \$1,443,655)
Parks and Soils State Sales Tax Fund(s) (1613 & 1614)	(Could exceed \$866,193)	(Could exceed \$1,154,924)	(Could exceed \$1,154,924)	(Could exceed \$1,154,924)
Aviation Trust Fund (1542)	\$0	\$0	\$0	More or less than \$6,106,148

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2034)
<b>Total Estimated Net Effect on <u>Other State Funds</u></b>	<b>(\$10,610,863)</b>	<b>(\$14,147,818)</b>	<b>(\$14,147,818)</b>	<b>More or less than (\$20,253,966)</b>

Numbers within parentheses: () indicate costs or losses.

**ESTIMATED NET EFFECT ON FEDERAL FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2034)
<b>Total Estimated Net Effect on <u>All Federal Funds</u></b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)**

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2034)
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$0</b>

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 2027	FY 2028	FY 2029	Fully Implemented (FY 2034)
<b>Local Government</b>	<b>(Could exceed \$40,711,069)</b>	<b>(Could exceed \$54,281,425)</b>	<b>(Could exceed \$54,281,425)</b>	<b>(Could exceed \$54,281,425)</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §144.010 – Sales Tax for Certain Processing Fees

Officials from the **Department of Revenue (DOR)** note the Department of Revenue (DOR) is following a Supreme Court ruling from November of 1994 citations: 887 S.W.2d 593, which ruled credit card fees were “not charges incident to the extension of credit” and were not excludable from gross receipts and the fact that business chose to pay the credit card fees out of the proceeds of the sales did not decrease the amount of the retail establishment’s gross receipts from those sales.

Under current law, sales tax is owed on the item at the time of sale. The retail establishment selling the item is to collect that sales tax.

If a retail establishment accepts credit or debit cards chooses to pass the card transaction fee on to the customer at the point of sale, that fee becomes part of the total transaction’s gross receipts and are subject to sales tax.

Conversely, if the retail establishment absorbs the credit or debit card transaction fee as a business expense rather than passing it on to the customer, the fee is not subject to sales tax. In this case, the business may deduct the expense on its income tax return.

Consumer purchasing behavior has shifted significantly toward electronic payments. Credit and debit cards have largely replaced cash transactions, and online purchases continue to grow. This trend has increased the prevalence of credit/debit card transaction fees. Additionally, the recent elimination of the penny has further accelerated the use of card-based payments.

Credit/debit card transaction fees in 2025 typically range from 1.5% to 4% of the total sale amount plus a set rate per transaction, per Bankrate. Businesses incur these fees for the privilege of accepting card payments. Per Bankrate, American Express generally charges between 1.43% + \$0.10 to 3.30% + \$0.10 per transaction, while Visa and Mastercard tend to charge between 1.15% + \$0.05 and 2.5% + \$0.10 per transaction. This means when a business sells \$10,000 in credit card transactions per week, they could pay around \$115 to \$250 in Visa and Mastercard fees while paying around \$143 to \$330 in Amex fees.

This proposal is modifying the definition of “gross receipts” to exclude credit/debit card transaction fees when credit/debit cards are used by consumers at point of sale.

DOR pulled information from the National Retail Federation that stated that in 2024 credit/debit card companies collected \$187.2 billion in these transaction fees. Using information obtained from the U.S. Bureau of Economic Analysis, Missouri residents spending is about 1.9% of all

spending in the U.S. Therefore \$3,556,800,000 of the total transaction fees are collected on sales occurring in MO based on these figures.

Based on data published by Nielson Research in 2024, \$187.2 billion in credit / debit card charges were collected by credit companies. Based on additional data published by J.D. Power (2025 Merchant survey), 34% of retailers directly pass on the credit / debit charge to consumers.

The state sales tax is 4.225%. That sales tax is broken down as:

General Revenue	3%
School District	1%
Conservation Commission	.125
Parks, Soil & Water Funds	.1%

Therefore, DOR calculates the loss of sales tax on the \$3,556,800,000 transaction fees to be \$150,274,800 then applied the 34% of retailers know to directly pass on the credit/debit charges to customers. In an effort to more accurately reflect the estimated local impact, B&P and DOR have moved from a population weighted average local sales tax rate to a location weighted average local sales tax rate. This change was made to reflect where sales actually occur, rather than exclusively where people live. For fiscal note purposes, the local average sales tax rate will be 4.7%. This proposal would result in the loss to the following state and local sales tax funds:

This bill would become effective August 28, 2026, and sales tax is remitted one month behind collection. Therefore, this would result in a loss to state revenue of 9 months of remittances in FY 2027. Therefore, the loss to state and local funds if all businesses are currently putting the charges in their gross receipts would be:

DOR Table 1: Estimated State Revenue Impact

<u>State Funds</u>	<u>FY27</u>	<u>FY28+</u>
General Revenue	(\$24,488,568)	(\$32,651,424)
Education (SDTF)	(\$8,162,856)	(\$10,883,808)
Conservation	(\$1,020,357)	(\$1,360,476)
DNR	(\$816,286)	(\$1,088,381)
<b>Total State Impact</b>	<b>(\$34,488,067)</b>	<b>(\$45,984,089)</b>

DOR Table 2: Estimated Local Revenue Impact

<u>Local Funds</u>	<u>FY27</u>	<u>FY28+</u>
Local Sales Tax	(\$38,365,424)	(\$51,153,898)

This proposal would require updates to DOR forms (\$2,200), the department’s website and computer programs (\$7,547). These costs are estimated at \$9,747

Officials from the **Office of Administration - Budget and Planning (B&P)** note this proposal would exempt credit and debit card fees from sales tax if those fees are passed on to the consumer. This exemption would begin August 28, 2026.

B&P notes that credit card (and some debit card) companies charge a flat per swipe fee or a variable rate fee to merchants whenever their card is used. Retailers typically face three options regarding those fees. They can: absorb the cost and right off the expense on their income taxes, raise prices by enough to offset fee costs, or charge customers the credit card fee.

If businesses absorb the costs, no extra sales tax is levied. If businesses raise the general price of items, sales tax is collected on that inflated price. If businesses pass the fee directly on to consumers, the Missouri Supreme Court has ruled (*Central Hardware Company and Budget Rent-a-Car v. Director of Revenue*, 1994, 887 S.W.2d 593) that such charges should be included in the total purchase price of items. Therefore, sales tax should be collected on the fee, even if stated separately on the sales receipt.

This proposal would exempt the latter option (direct charge) from state and local sales taxes, by excluding the credit / debit charge from the final sales price by excluding them from the definition of “gross receipts”. Table 1 lists when sales tax is charged under current law and proposed changes.

Table 1: When is sales tax charged?

	Sales Tax - Current	Sales Tax - Proposed	Income Tax Expense
Credit Charge			
Fees absorbed	No	No	Yes
Prices increased	Yes	Yes	No
Direct charge	Yes	No	No

Based on data published by Nielson Research in 2024, \$187.2 billion in credit / debit card charges were collected by credit companies. Based on additional data published by J.D. Power (2025 Merchant survey), 34% of retailers directly pass on the credit / debit charge to consumers.

Based on data published by the BEA, personal consumption in Missouri is 1.71% of total national consumption. Therefore, B&P estimates that of the \$187.2 billion in charges, \$3.2 billion was charged to Missouri consumers. Assuming the percentage of retailers that passes on those fees directly is the same in Missouri as the national 34%, B&P estimates that of the \$3.2 billion in fees on Missouri consumers, approximately \$1.1 billion was charge separately.

Therefore, B&P estimates that this proposal could exempt \$1.1 billion from state and local sales tax. Table 2 shows the estimated revenue impact to state and local funds.

Table 2: Estimated Revenue Impact

<u>State Funds</u>	<u>FY27</u>	<u>FY28+</u>
General Revenue	(\$24,488,568)	(\$32,651,424)
Education (SDTF)	(\$8,162,856)	(\$10,883,808)
Conservation	(\$1,020,357)	(\$1,360,476)
DNR	(\$816,286)	(\$1,088,381)
<b>Total State Impact</b>	<b>(\$34,488,067)</b>	<b>(\$45,984,089)</b>

	<u>FY27</u>	<u>FY28+</u>
Local Sales Tax	(\$38,365,424)	(\$51,153,898)

However, it is unclear how many retailers are currently collecting sales taxes on the credit card fees directly passed on to consumers. B&P assumes that much of this estimated “loss” will actually be forgone revenues.

Therefore, B&P estimates that this proposal could reduce GR up to \$32,651,424 once fully implemented. This proposal could also reduce local sales tax collections by up to \$51,153,898 once fully implemented.

In response to a previous version, officials from the **City of Kansas City** assumed the proposed legislation has a negative fiscal impact of an indeterminate amount.

**Oversight** notes officials from B&P and DOR both assume the provision will have a direct fiscal impact on state and local revenues. Oversight does not have any information to the contrary. Therefore, Oversight will reflect DOR’s and B&P’s estimated impact in the fiscal note.

§144.052 - Sales and Use Tax Exemption for Certain Campground Rentals

Officials from the **Office of Administration - Budget and Planning (B&P)** note this proposal would exempt campground rentals from state and local sales taxes starting August 28, 2026. B&P notes that to qualify a campground must have at least five campgrounds and be used for recreational, camping, travel, or seasonal use. This proposal also includes RV parks within the definition of qualifying campsite.

In FY2025, there were \$76.4 million in taxable sales at campgrounds in Missouri that would become exempt from sales taxes under this proposal.

Table 1: Impacted NAICS and Taxable Sales

<u>NAICS</u>	<u>Description</u>	<u>FY 2025</u>
721211	RV Parks and Campgrounds Recreational and Vacation	\$63,957,275
721214	Camps	\$12,470,426
Total Taxable Sales		\$76,427,701

Therefore, B&P estimates that this proposal could reduce GR by \$2,292,831 annually. This proposal could also reduce local sales tax collections by \$3,592,102 annually.

Table 2: Estimated Impact by State Fund

<u>State Funds</u>	<u>FY 2027</u>	<u>FY 2028+</u>
General Revenue	(\$1,719,623)	(\$2,292,831)
Education (SDTF)	(\$573,208)	(\$764,277)
Conservation	(\$71,651)	(\$95,535)
DNR	(\$57,321)	(\$76,428)
Total State Revenues	(\$2,421,803)	(\$3,229,071)

Table 2 cont.: Estimated Impact by Local Fund

<u>Local Funds</u>	<u>FY 2027</u>	<u>FY 2028+</u>
Local Sales Tax	(\$2,694,077)	(\$3,592,102)

Officials from the **Department of Revenue (DOR)** note currently, per Section 144.020 all tickets for places of amusement, entertainment and recreation are considered taxable. This currently includes campgrounds and RV parking campgrounds.

Starting August 28, 2026, this proposal creates a state and local sales tax exemption for these campgrounds. Campgrounds include recreational vehicle parks.

Based on information received by DOR, the department notes that \$66,543,117 in taxable sales from campgrounds in MO was reported in calendar year 2025. Since this proposal starts August 28, 2026, and sales tax is remitted one month behind collection DOR assumes only 9 months of impact in FY 2027.

<u>Fund</u>	<u>FY 2027 (9 MO)</u>	<u>FY 2028+</u>
General Revenue	(\$1,497,220)	(\$1,996,294)
School District Trust	(\$499,073)	(\$665,431)
Conservation Commission	(\$62,384)	(\$83,179)
Park, Soil & Water	(\$49,907)	(\$66,543)
<b>TSR</b>	<b>(\$2,108,585)</b>	<b>(\$2,811,447)</b>

Locals	(\$2,345,645)	(\$3,127,527)
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This will require DOR to update the department's forms (\$2,200) and its collection and distribution sales tax systems (\$5,661).

In response to a previous version, officials from the **City of Kansas City** assumed the proposed legislation has a negative fiscal impact of an indeterminate amount.

#### §144.805 - Aviation Jet Fuel

Officials from the **Department of Revenue (DOR)** assume this proposal would extend the sunset date on the aviation jet fuel tax in Section 144.805. This tax was to sunset on December 31, 2033, and is extended to December 31, 2043. The extension of the sunset date will not fiscally impact the Department.

For informational purposes, DOR is submitting the amount collected each of the last four years.  
FY 2021 \$2,149,405  
FY 2022 \$6,151,083  
FY 2023 \$7,352,513  
FY 2024 \$6,106,148

**Oversight** assumes this proposed legislation would extend an existing provision by removing or changing the expiration date. Oversight also assumes that removing or changing the expiration date would extend any fiscal impact associated with the existing provision. Therefore, Oversight will include an estimated impact in this fiscal note.

Oversight assumes under current law, the exemption(s) in §144.805 & §144.807 are set to expire December 31, 2033, after which aviation jet fuel would become taxable. Extending the exemption to December 31, 2043 will result in a negative fiscal impact beginning in FY 2034 to state and local funds. Oversight is unable to determine the actual fiscal impact, however it is assumed the fiscal impact could exceed (\$250,000).

Oversight notes the average sales tax collection on jet fuel by DOR between FY 2022 and FY 2024 was \$6,536,581 (2021 excluded as outlier due to COVID related travel implications).

Oversight will show a positive impact to the Aviation Trust Fund, as the fund would continue receiving the dedicated portion of the aviation jet fuel tax. Oversight assumes the impact could be greater or less than \$6,106,148 per DOR.

#### §144.807 - Extension of the Sales Tax Exemption for Common Carriers in Interstate Air Transportation

**Oversight** assumes under current law, the exemption in §144.807 is set to expire December 31, 2033, after which certain tangible personal property purchased/stored by airlines would become

taxable. Extending the exemption to December 31, 2043 will result in a negative fiscal impact beginning in FY 2034.

The proposed extension of the sunset date will maintain the existing exemption and the associated \$300,000 annual election fee. Oversight is unable to determine the number of common carriers that will elect into the program in future years, therefore Oversight will show an unknown positive impact to the Aviation Trust Fund beginning in FY2034.

Responses regarding the proposed legislation as a whole

Officials from the **Department of Natural Resources** defer to the Department of Revenue for the potential fiscal impact of this proposal.

**Oversight** notes the Park, Soil, and Water Sales Tax funds are derived from the one-tenth of one percent sales and use tax pursuant to Article IV Section 47 (a) thus DNR's sales taxes are constitutional mandates. Oversight assumes the proposal may decrease the amount of sales tax revenue distributed to this fund. Therefore, Oversight will show DOR's estimates for MDC's funds.

Officials from the **Missouri Department of Conservation** assume an unknown fiscal impact. The Conservation Sales Tax funds are derived from one-eighth of one percent sales and use tax pursuant to Article IV Section 43 (a) of the Missouri Constitution. The Department defers to the Department of Revenue as it is responsible for tax collection and would be better able to estimate the anticipated fiscal impact that would result from this proposal.

**Oversight** notes that the Conservation Sales Tax funds are derived from one-eighth of one percent sales and use tax of the Missouri Constitution, thus MDC's sales taxes are constitutional mandates. Oversight assumes the proposal may decrease the amount of sales tax revenue distributed to this fund. Therefore, Oversight will show DOR's estimates for MDC's funds.

Officials from the **Eastern Clay Ambulance District** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other local political subdivisions were requested to respond to this proposed legislation but did not. 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. A general listing of political subdivisions included in our 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 2027 (10 Mo.)	FY 2028	FY 2029	Fully Implemented (FY 2034)
<b>GENERAL REVENUE</b>				
<u>Cost – DOR</u> (§144.010-144.805) Form & computer upgrades p. 5&8	(\$17,608)	\$0	\$0	\$0
<u>Revenue Loss</u> – (§144.010) Certain processing fees excluded from definition of “gross receipts” p.4	(\$24,488,568)	(\$32,651,424)	(\$32,651,424)	(\$32,651,424)
<u>Revenue Loss</u> – (§144.052) Loss of sales tax revenue from exemption for certain campground rentals p.7	(Could exceed \$1,497,220)	(Could exceed \$1,996,294)	(Could exceed \$1,996,294)	(Could exceed \$1,996,294)
<u>Revenue Loss</u> - (§144.805) Loss of sales tax revenue if sunset was extended p.8	\$0	\$0	\$0	(Unknown)
<u>Revenue Loss</u> - (§144.807) Loss of sales tax revenue if sunset was extended p.9	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	(Unknown)

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b>(Could exceed \$26,003,396)</b>	<b>(Could exceed \$34,647,718)</b>	<b>(Could exceed \$34,647,718)</b>	<b>(Could exceed \$34,647,718)</b>
<b>SCHOOL DISTRICT TRUST FUND (1688)</b>				
<u>Revenue Loss</u> – DOR (§144.010) Certain processing fees excluded from definition of “gross receipts” p.4	(\$8,162,856)	(\$10,883,808)	(\$10,883,808)	(\$10,883,808)
<u>Revenue Loss</u> – (§144.052) Loss of sales tax revenue from exemption for certain campground rentals p.7	(Could exceed \$499,073)	(Could exceed \$665,431)	(Could exceed \$665,431)	(Could exceed \$665,431)
<u>Revenue Loss</u> - (§144.805) Loss of sales tax revenue if sunset was extended p.8	\$0	\$0	\$0	(Unknown)
<u>Revenue Loss</u> - (§144.807) Loss of sales tax revenue if sunset was extended p.8-9	\$0	\$0	\$0	(Unknown)
<b>ESTIMATED NET EFFECT ON SCHOOL DISTRICT TRUST FUND (1688)</b>	<b>(Could exceed \$8,661,929)</b>	<b>(Could exceed \$11,549,239)</b>	<b>(Could exceed \$11,549,239)</b>	<b>(Could exceed \$11,549,239)</b>
<b>CONSERVATION COMMISSION FUND (1609)</b>				
<u>Revenue Loss</u> – (§144.010) Certain processing fees excluded from definition of “gross receipts” p.4	(\$1,020,357)	(\$1,360,476)	(\$1,360,476)	(\$1,360,476)

<u>Revenue Loss</u> – (§144.052) Loss of sales tax revenue from exemption for certain campground rentals p.7	(Could exceed \$62,384)	(Could exceed \$83,179)	(Could exceed \$83,179)	(Could exceed \$83,179)
<u>Revenue Loss</u> - (§144.805) Loss of sales tax revenue if sunset was extended p.8	\$0	\$0	\$0	(Unknown)
<u>Revenue Loss</u> - (§144.807) Loss of sales tax revenue if sunset was extended p.8-9	\$0	\$0	\$0	(Unknown)
<b>ESTIMATED NET EFFECT ON CONSERVATION COMMISSION FUND (1609)</b>	<b>(Could exceed \$1,082,741)</b>	<b>(Could exceed \$1,443,655)</b>	<b>(Could exceed \$1,443,655)</b>	<b>(Could exceed \$1,443,655)</b>
<b>PARKS AND SOILS STATE SALES TAX FUNDS (1613 &amp; 1614)</b>				
<u>Revenue Loss</u> – DOR (§144.010) Certain processing fees excluded from definition of “gross receipts” p.4	(\$816,286)	(\$1,088,381)	(\$1,088,381)	(\$1,088,381)
<u>Revenue Loss</u> – (§144.052) Loss of sales tax revenue from exemption for certain campground rentals p.7	(Could exceed \$49,907)	(Could exceed \$66,543)	(Could exceed \$66,543)	(Could exceed \$66,543)
<u>Revenue Loss</u> - (§144.805) Loss of sales tax revenue if sunset was extended p.8	\$0	\$0	\$0	(Unknown)
<u>Revenue Loss</u> - (§144.807) Loss of sales tax revenue if sunset was extended p.8-9	\$0	\$0	\$0	(Unknown)

<b>ESTIMATED NET EFFECT ON PARKS AND SOILS STATE SALES TAX FUNDS (1613 &amp; 1614)</b>	<b>(Could exceed \$866,193)</b>	<b>(Could exceed \$1,154,924)</b>	<b>(Could exceed \$1,154,924)</b>	<b>(Could exceed \$1,154,924)</b>
<b>AVIATION TRUST FUND (1952)</b>				
<u>Revenue Gain</u> - (\$144.805) Revenues that would continue to be collected if sunset was extended p.8	\$0	\$0	\$0	More or less than \$6,106,148
<u>Revenue Gain</u> - (\$144.807) Fee revenue that would continue to be collected if sunset was extended p.8-9	\$0	\$0	\$0	Unknown
<b>ESTIMATED NET EFFECT ON AVIATION TRUST FUND (1952)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>More or less than \$6,106,148</b>

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029	Fully Implemented (FY 2034)
<b>LOCAL POLITICAL SUBDIVISIONS</b>				
<u>Revenue Loss</u> – (\$144.010) Certain processing fees excluded from definition of “gross receipts” p.4	(\$38,365,424)	(\$51,153,898)	(\$51,153,898)	(\$51,153,898)
<u>Revenue Loss</u> – (\$144.052) Loss of sales tax revenue from exemption for certain campground rentals p.7	(Could exceed \$2,345,645)	(Could exceed \$3,127,527)	(Could exceed \$3,127,527)	(Could exceed \$3,127,527)

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029	Fully Implemented (FY 2034)
<u>Revenue Loss - (\$144.805)</u> Loss of sales tax revenue if sunset was extended p.8	\$0	\$0	\$0	(Unknown)
<u>Revenue Loss - (\$144.807)</u> Loss of sales tax revenue if sunset was extended p.8-9	\$0	\$0	\$0	(Unknown)
<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<b>(Could exceed \$40,711,069)</b>	<b>(Could exceed \$54,281,425)</b>	<b>(Could exceed \$54,281,425)</b>	<b>(Could exceed \$54,281,425)</b>

FISCAL IMPACT – Small Business

Certain small businesses that incur credit card and debit card processing fees, have certain campground rentals, and/or sell jet fuel could be impacted by this proposal.

FISCAL DESCRIPTION

The proposed legislation modifies the exclusion of certain transactions from sales tax.

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 - Budget and Planning  
 Department of Natural Resources  
 Missouri Department of Conservation  
 Office of the Secretary of State

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Joint Committee on Administrative Rules  
City of Kansas City  
Eastern Clay Ambulance District



Julie Morff  
Director  
April 29, 2026



Jessica Harris  
Assistant Director  
April 29, 2026