

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5497H.05C  
 Bill No.: HCS for HB 2925  
 Subject: Political Subdivisions; Elections; Real and Personal Property; Taxation and Revenue - Property; Cities, Towns, and Villages; Counties  
 Type: Original  
 Date: March 23, 2026

Bill Summary: This proposal modifies provisions governing local property tax ballots.

**FISCAL SUMMARY**

**ESTIMATED NET EFFECT ON GENERAL REVENUE FUND**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue*	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>

\*Oversight notes the effective date for this proposal will be January 1, 2027. Any election in any political subdivision of this state to levy real property tax or personal property tax shall include certain elements from §115.706 that explain to the voter the tax to be levied. It is expected the overall cost of the election would increase if a property tax levy is included due to the increased length of the ballot. Therefore, if tax levies are included for multiple political subdivisions in various elections throughout the FY, the unknown cost could exceed the \$250,000 threshold.

**ESTIMATED NET EFFECT ON OTHER STATE FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: () indicate costs or losses.

**ESTIMATED NET EFFECT ON FEDERAL FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</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
<b>Total Estimated Net Effect on FTE</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
<b>Local Government</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §§64.401 thru 650.408 – Local Property Tax Ballots

Officials from the **Department of Commerce and Insurance, Department of Natural Resources, Department of Revenue, Missouri Department of Transportation, Office of the State Courts Administrator, City of Kansas City, Platte County Board of Elections, St. Louis City Board of Elections, St. Louis County Board of Elections, St. Louis County Police Department, Metropolitan St. Louis Sewer District, Wayne County PWS #2, Northwest Missouri State University, University of Central Missouri** and the **State Tax Commission** 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.

Officials from the **Eastern Clay Ambulance District** assume the proposal will have a fiscal impact on their organization but did not provide any additional information.

Officials from the **Kearney Fire & Rescue Protection District** state that by moving to the November election, it would delay the ability for the taxing entity to be able to collect the authorization for an additional year as all levies have to be set by October. If a significant issue occurred after the filing deadline for the November election that required a vote, it could potentially take two years to collect any additional funds.

In response to a previous version, officials from the **Sullivan School District** and the **Rolling Hills Consolidated Library** each assumed 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 the effective date for this proposal will be January 1, 2027. According to §115.706, any ballot language for an election in any political subdivision of this state to levy real property tax or personal property tax shall include certain elements that explain to the voter the tax to be levied. As a result, the ballot language could potentially be lengthy on the ballot should this levy be brought before the voters. Political subdivisions could include this language on a ballot at any municipal, primary, special or general election. Oversight does not have the information to determine what the state's proportional share would be but expects the overall cost of the election to increase due to the increased length of the ballot. The first potential election operating under this provision would be April 2027. Therefore, Oversight will reflect a potential \$0 (no property tax levy on the ballot) or unknown cost starting in FY27 and recurring annually for each year thereafter on the fiscal note.

**Oversight** assumes local election authorities may face increased costs beginning in the April 2027 election (FY 2027) if a real or personal property tax levy is brought to the voters. Therefore, Oversight will show a potential \$0 (no property tax levy on the ballot) or unknown cost to local political subdivisions beginning in FY 2027 and recurring annually for each year thereafter.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other cities, local election authorities, counties, nursing homes, fire protection districts, ambulance districts, retirement entities, school districts, utility districts, hospitals, colleges and public libraries 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 **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
<b>GENERAL REVENUE</b>			
<u>Cost – (\$115.706) Potential increase in the state’s proportional share cost due to increased length of the ballot if a property tax levy is included p.3</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b>\$0 or <u>(Unknown)</u></b>	<b>\$0 or <u>(Unknown)</u></b>	<b>\$0 or <u>(Unknown)</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Cost – Local Election Authorities (\$115.706) Increased length of the ballot if a property tax levy is included p.4</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<b>\$0 or <u>(Unknown)</u></b>	<b>\$0 or <u>(Unknown)</u></b>	<b>\$0 or <u>(Unknown)</u></b>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This bill standardizes ballot language for questions submitted to voters by a political subdivision desiring to levy a real property or personal property tax.

Currently, ballot language often describes a desired tax as a specified amount on each \$100 of assessed valuation.

The bill requires ballot language to describe the desired tax as a specified amount per \$100,000 of appraised value, depending on whether the property is residential, commercial, agricultural, and per \$10,000 of appraised value for a motor vehicle.

A political subdivision or election authority must not advertise or describe any proposed tax on property in a political subdivision as decreasing taxes unless both failing to adopt the proposed measure would cause an actual increase and adopting the proposed measure would cause the tax rate to stay the same or decrease.

The ballot language statements must fairly and accurately explain what a vote for and what a vote against the measure represent, as specified in the bill.

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

Eastern Clay Ambulance District  
Platte County Board of Elections  
St. Louis County Board of Elections  
Kearney Fire & Rescue Protection District  
Department of Commerce and Insurance  
Department of Natural Resources  
Department of Revenue  
Missouri Department of Transportation  
Office of the State Courts Administrator  
City of Kansas City  
St. Louis City Board of Elections  
St. Louis County Police Department  
Sullivan School District  
Metropolitan St. Louis Sewer District  
Wayne County PWSD #2  
Northwest Missouri State University  
University of Central Missouri  
State Tax Commission  
Office of the Secretary of State  
Rolling Hills Consolidated Library



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March 23, 2026



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