

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6569H.02C
 Bill No.: HCS for HB 2944
 Subject: Taxation and Revenue - Property; Property, Real and Personal; Tax Credits;
 Elderly; State Tax Commission; Counties
 Type: Original
 Date: March 10, 2026

Bill Summary: This proposal modifies provisions relating to the local senior citizen homestead tax credit.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue	Up to (\$100,000)	\$0	\$0
Total Estimated Net Effect on General Revenue	Up to (\$100,000)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

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

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
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 2027	FY 2028	FY 2029
Local Government	(Unknown)	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

§137.1050.6 - Senior Citizen Homestead Tax Credit Eligibility

Officials from the **Office of Administration – Budget & Planning (B&P)** assume this proposal will not impact:

- TSR
- The calculation under Article X, Section 18(e)
- B&P.

Officials from the **Department of Revenue (DOR)** note this is the property tax credit administered by the counties and not DOR. Therefore, no impact on DOR.

Officials from the B&P and DOR both 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 these agencies.

In response to a previous version, officials from the **High Point R-III School District** assumed this proposal will have a fiscal impact but did not provide any additional information.

In response to a previous version, officials from the **Metro St. Louis Sewer District Employees Pension Plan** assumed there will be a fiscal impact to the extent that the legislation results in a decrease of tax revenue to the District. Property taxes are the primary source of revenue for the District's stormwater capital plan to fund improvements for flooding and erosion control.

Oversight notes that this provision modifies language for the property tax credit established in SB 190 (2023).

Oversight notes that this legislation provides that once an eligible taxpayer qualifies for the Homestead Property Tax Credit, such taxpayer shall maintain his or her eligibility without needing to reapply each year. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

§137.1050.7 – Electronic Portal for Senior Citizen Property Tax Credit Participants

Officials from the **Department of Health and Senior Services** assumes this provision requires the Department of Health and Senior Services to establish and maintain an electronic portal for county designees to determine if senior citizen property tax credit participant is deceased.

Based on past experience implementing IT web services, the Department believes the cost to develop and implement a system would be up to \$100,000. Additional staff time would be required to maintain listings on the electronic portal, estimated to be 115 hours of staff time per

year. It is assumed that the Department can absorb the costs (for staff time) of this bill with current resources. However, if the workload significantly increased or other legislation was enacted, additional resources would be requested through the appropriation process.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimated fiscal impact as provided by the Department of Health and Senior Services.

Responses regarding the proposed legislation as a whole

Officials from the **St Louis City Assessor** assume there may be some additional administrative costs, potentially at least a part-time employee needed at an estimate of \$25,000.

Officials from the **County Employees' Retirement Fund (CERF)** have reviewed HCS/HB 2944 (6569H.02C). Data is not available to quantify the impact of HCS/HB 2944 but the County Employees' Retirement Fund assumes the impact would likely be negative. A certain portion of the moneys that are used to fund the County Employees' Retirement Fund are tied to the collection of property taxes.

Oversight assumes local political subdivisions may incur some administrative costs to track and implement this proposal. Therefore, Oversight will show an unknown cost to counties in the fiscal note.

Officials from the **City of Kansas City, Platte County Board of Elections, St. Louis County Board of Elections, St. Louis County Board of Elections, Oversight Division, State Tax Commission, Office of the Secretary of State**, and the **Joint Committee on Administrative Rules** each 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 these respective organizations.

In response to a previous version, officials from the **Public Education Employees' Retirement System** and the **Sheriff's Retirement System** each assumed 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 these respective organizations.

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.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
GENERAL REVENUE			
<u>Cost</u> – DHSS (§137.1050) Creation of portal for senior tax credit participants p.3-4	Up to <u>(\$100,000)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	Up to <u>(\$100,000)</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
LOCAL POLITICAL SUBDIVISIONS			
<u>Cost</u> – Counties (§137.1050) To implement and track property tax credit participants p.4	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

The proposed legislation modifies provisions relating to the local senior citizen homestead tax credit.

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 & Planning
 State Tax Commission

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Joint Committee on Administrative Rules
Oversight Division
Office of the Secretary of State
City of Kansas City
Platte County Board of Elections
St. Louis County Board of Elections
Public Education Employees' Retirement System
Sheriff's Retirement System
County Employees Retirement Fund
Department of Health and Senior Services
St Louis City Assessor
St Louis City Board of Elections
Metro St. Louis Sewer District Employees Pension Plan



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