

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2952-01  
Bill No.: HB-1147  
Subject: Counties: Sales Tax for Fire Protection  
Type: Original  
Date: January 7, 2002

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
 This fiscal note contains 3 pages.

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials of the **Department of Revenue (DOR)** assume if the voters would approve a sales tax for fire protection in Cass County that the department could collect the tax with current staff and appropriations, therefore, there would be no fiscal impact. Officials stated that the State's General Revenue Fund would realize an increase in revenue from the 1% retained by the department for collecting the sales tax.

**Oversight** assumes this proposal is enabling legislation and would have no fiscal impact to the State or to Fire Protection Districts located in Cass County, unless, the voters would approve the imposition of a sales tax in an amount of up to one-half of one percent. If voters would approve the sales tax, the State Department of Revenue would collect the tax, and would retain a collection fee of 1%, which, would go into the State's General Revenue Fund. The Fire Protection District would realize additional revenues to be used for fire protection related purposes. For the purposes of this fiscal note fiscal impact will be shown as zero (\$0).

<b><u>FISCAL IMPACT - State Government</u></b>	<b>FY 2003 (10 Mo.)</b>	<b>FY 2004</b>	<b>FY 2005</b>
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>FISCAL IMPACT - Local Government</u></b>	<b>FY 2003 (10 Mo.)</b>	<b>FY 2004</b>	<b>FY 2005</b>
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL IMPACT - Small Business**

Small business located within a Fire Protection District that is located within Cass County would realize the cost of collecting and paying the sales tax for fire protection.

DESCRIPTION

This bill allows any Fire Protection District in Cass County, upon voter approval, to impose a sales tax of up to one-half of 1% on all retail sales made within the district. The tax is to be used exclusively for the operation of the Fire Protection District.

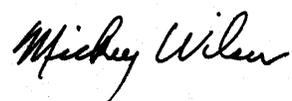
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue

NOT RESPONDING

Cass County Commission



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Acting Director  
January 7, 2002