

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

LR No.: 0535-03  
Bill No.: Perfected HCS for HB 181  
Subject: Cities: Transient Guest Tax  
Type: Original  
Date: March 3, 2003

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
<b>Total Estimated Net Effect on Other State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials of the **Department of Revenue** assume no fiscal impact from this proposal.

In previous legislation officials of the **Department of Economic Development- Division of Tourism** assume no fiscal impact.

**Oversight** assumes this proposal is enabling legislation. Certain cities would have no fiscal impact unless the voters would approve the imposition of the guest tax provided for in this proposal. Cities that would impose the tax would realize income for the purpose of promoting tourism. The City Collector or some official designated to collect the tax would have some additional duties related to administration and collection of the tax. Because this proposal does not mandate the imposition of the tax, fiscal impact will be shown as \$0.

<b><u>FISCAL IMPACT - State Government</u></b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
	<b>(10 Mo.)</b>		
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal as written would have no fiscal impact on small businesses. If a transient guest tax were adopted by the voters of the City of Sweet Springs or the City of Marshall, small businesses of the hotel/motel industry could expect to be fiscally impacted to the extent that they may incur additional administrative duties and costs related to collection of the tax.

DESCRIPTION

This substitute allows the City of Sweet Springs and Marshall to impose, upon voter approval, a room tax of not more than 5% per night. This tax will be in addition to any other tax authorized by law and will be used by the city solely for the promotion of tourism.

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  
Department of Economic Development- Division of Tourism



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Director  
March 3, 2003

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