

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 0645-01
Bill No.: HB 139
Subject: Counties-Assessment Fund
Type: Original
Date: February 14, 2003

FISCAL SUMMARY

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

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Blind Pension Trust	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on Other State Funds *	(Unknown)	(Unknown)	(Unknown)

***Oversight assumes loss of revenue to the Blind Pension Trust Fund would be \$100,000 or less annually.**

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government *	\$0	\$0	\$0

* Significant offsetting gains and losses.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Elementary and Secondary Education** assume an amount not to exceed \$100,000 would be withheld from local taxing jurisdictions.

Officials of the **State Tax Commission** assume this proposal creates a shifting of local funds to the assessment fund from collections in all local taxing jurisdictions.

Officials stated that approximately \$5,701,018 (statewide) would be shifted from local taxing jurisdictions and deposited into the Assessors' assessment fund. Officials stated that fiscal impact was determined by using the collections figures from calendar year 2001, and applying the one-half of one percent of the collection fees and capping the counties at one hundred thousand dollars. Officials assumed that all counties would maximize the reimbursement from the state and the state reimbursement per parcel would not change. Officials assumed a two percent increase on an annual basis for all counties that have not realized the one hundred thousand dollar maximum.

Officials of **Cass** and **Jefferson** Counties assume no fiscal impact.

ASSUMPTION (continued)

Oversight assume the additional withholding would be taken from all local taxing jurisdictions and the States' Blind Pension Fund, and would be deposited to the county's assessment fund.

<u>FISCAL IMPACT - State Government</u>	FY 2004	FY 2005	FY 2006
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BLIND PENSION TRUST FUND

Loss to Blind Pension Trust Fund county withholding of ½ of 1% *	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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* **Oversight assumes loss of revenue would be \$100,000 or less annually.**

<u>FISCAL IMPACT - Local Government</u>	FY 2004	FY 2005	FY 2006
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POLITICAL SUBDIVISIONS

Income to County Assessment Fund from withholding of ½ of 1% of tax collections.	\$5,701,018	\$5,815,038	\$5,931,339
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Cost to Local Taxing Jurisdictions transfer of withholding of ½ of 1% of tax collections to county assessment fund.	(\$5,701,018)	(\$5,815,038)	(\$5,931,339)
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ESTIMATED NET EFFECT TO LOCAL GOVERNMENT	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

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

DESCRIPTION

This bill requires all counties and the City of St. Louis, beginning January 1, 2004, to deposit 0.5% from the collection of all property taxes, not to exceed \$100,000 per year into the county

DESCRIPTION (continued)

assessment fund. The funds are to be used solely for technology related equipment and services to assist in the assessment of all property in compliance with the State Tax Commission's assessment and maintenance plan. These moneys will not reduce the state general revenue contributions to the assessment fund.

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

Missouri State Tax Commission
Department of Elementary and Secondary Education
Cass County Assessor
Jefferson County Assessor

NOT RESPONDING

Boone County Assessor
Callaway County Assessor
Clay County Assessor
Cape Girardeau County Assessor
Franklin County Assessor
Greene County Assessor
Marion County Assessor
Taney County Assessor
St. Louis County Assessor
Jackson County Assessor
City of St. Louis Assessor



Mickey Wilson, CPA
Director
February 14, 2003

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