COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 1260-01
Bill No.: HB 293 with HCA 1
Subject: Certain Cities: Licenses, Limits
Type: Original
Date: April 18, 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
Total Estimated Net Effect on Other State Funds	**$0**	**$0**	**$0**

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 All Federal Funds	**$0**	**$0**	**$0**

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	**$0 or (Unknown)**	**$0 or (Unknown)**	**$0 or (Unknown)**

FISCAL ANALYSIS

ASSUMPTION

Officials of the **City of Belton** assume no fiscal impact.

Oversight assumes that if a village or a city of the fourth class is currently charging an annual license tax in an amount greater than $10,000, this proposal would create a loss in revenue to that City. The loss would be in an amount that would be the difference between the limit of $10,000 and the amount that the City is currently taxing. Oversight assumes that some cities would have no fiscal impact, therefore, Oversight for the purposes of this fiscal note will show fiscal impact to local governments as $0 or (Unknown). Oversight would expect the loss of revenue if any to be minimal. **Oversight** assumes no state fiscal impact.

The Cities of : Rocheport, Republic, Salem, Fenton, Eldon, Bel-Nor, Bel-Ridge, and Branson did not respond.

FISCAL IMPACT - State Government	FY 2004	FY 2005	FY 2006

	$0	**$0**	**$0**
FISCAL IMPACT - Local Government	FY 2004	FY 2005	FY 2006
CERTAIN VILLAGES AND CITIES GENERAL REVENUE FUND			
Loss to Certain Cities from limitation on license tax *	**$0 or (Unknown)**	**$0 or (Unknown)**	**$0 or (Unknown)**

*** Oversight would expect the loss in revenue to be minimal. Cities whose license tax is less than $10,000 annually would not realize a loss in revenue.**

FISCAL IMPACT - Small Business

Should a small business that would be located within a village or city of the fourth class that was charging businesses a license tax that was greater than $10,000 per license, the business would realize a savings that would be the difference between the amount being charged and $10,000.

DESCRIPTION

This bill prohibits a village or city of the fourth class from imposing a license tax greater than $10,000 per license.

The bill contains an emergency clause.

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

City of Belton

Mickey Wilson, CPA

RWB:LR:OD (12/02)

Director
April 18, 2003