

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 4846-01
Bill No.: Perfected SB 1338
Subject: Taxation and Revenue - Local Sales Tax; Fire Protection District
Type: Original
Date: March 30, 2004

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| | | | |
| Total Estimated Net Effect on General Revenue Fund | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>Other</u> 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 2005 | FY 2006 | FY 2007 |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| Local Government* | \$0 | \$0 | \$0 |

***Oversight assumes annual cost would not exceed annual income resulting in either a \$0 or a positive annual fund balance. For purposes of this fiscal note, Oversight assumes zero fiscal impact.**

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Revenue (DOR)** assume this legislation allows the fire district of Raytown to increase the local sales tax. DOR assumes it will have a minimal administrative impact on the Division of Taxation.

If the fire protection district is contiguous with an existing city or county boundary, there will be no cost to implement the tax. If the district is not the same as an existing city or county, there will be minimal programming required (692 hours for a cost of \$23,085) to create a shape file to define the district.

Officials of the **Department of Public Safety, Fire Safety** assume no fiscal impact to their agency.

Officials from the **City of Raytown** did not respond to our fiscal note request.

| | | | |
|---|---------------------|------------|------------|
| <u>FISCAL IMPACT - State Government</u> | FY 2005 (10 Mo.) | FY 2006 | FY 2007 |
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

| | | | |
|---|---------------------|---------|---------|
| <u>FISCAL IMPACT - Local Government</u> | FY 2005 (10 Mo.) | FY 2006 | FY 2007 |
|---|---------------------|---------|---------|

CITY OF RAYTOWN

| | | | |
|---|---------|---------|---------|
| <u>Income</u> to Fire Protection Districts from local sales tax increase | Unknown | Unknown | Unknown |
|---|---------|---------|---------|

| | | | |
|---|-----------|-----------|-----------|
| <u>Cost</u> to Fire Protection Districts for programs for homeland security and training | (Unknown) | (Unknown) | (Unknown) |
|---|-----------|-----------|-----------|

| | | | |
|--|------------|------------|------------|
| ESTIMATED NET EFFECT TO LOCAL GOVERNMENT* | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
|--|------------|------------|------------|

***Oversight assumes annual cost would not exceed annual income resulting in either a \$0 or a positive annual fund balance. For purposes of this fiscal note, Oversight assumes zero fiscal impact.**

FISCAL IMPACT - Small Business

Small businesses within the district would be expected to collect/remit the additional sales tax as a result of this proposal.

DESCRIPTION

This proposal enables the fire protection districts in Raytown to submit a one-quarter cent sales tax to a vote for homeland security and training purposes. The tax may be repealed by a later vote of the people. Ballot language for the establishment of the tax and the repeal of the tax are included in the act.

LR No. 4846-01
Bill No. Perfected SB 1338
Page 4 of 4
March 30, 2004

DESCRIPTION (continued)

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 Public Safety
Fire Safety

NOT RESPONDING: City of Raytown



Mickey Wilson, CPA
Director
March 30, 2004