

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3308-04
Bill No.: Truly Agreed To and Finally Passed SS for SCS for SB 588
Subject: Counties; County Officials; Taxation and Revenue - Property
Type: Original
Date: May 26, 2010

Bill Summary: This proposal modifies provisions of law requiring notices of projected tax liability.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Local Government	(Unknown)	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue, State Tax Commission, and St. Louis County** assume there would be no fiscal impact to their respective agencies.

Officials from **Boone County** state this proposal will be very expensive to implement. The assessor will need to complete the valuation of real property on or before February 28th instead of May 31st. This legislation will require the Boone County Assessor to hire another full time employee and it will be impossible to accurately predict a tax rate prior to processing all personal property.

Oversight assumes this proposal would require assessors in counties without a charter form of government to provide notices of projected tax liability beginning January first of the year following the year in which such assessors receive software from the State Tax Commission. Oversight assumes there will be administrative costs with this change; therefore, Oversight will show a fiscal impact to local government to be a negative unknown.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
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LOCAL GOVERNMENTS

Costs - Counties without a charter form of government

Assessors to provide property owners with additional information accompanying the notice of increased assessed value	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</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.

FISCAL DESCRIPTION

Under current law, assessors in counties without a charter form of government will be required to provide taxpayers with a projected tax liability notice which must accompany a notice of increased assessed value effective January 1, 2011. This act extends the effective date for the projected tax liability notice requirements for assessors in counties without a charter form of government and Jefferson County to January first of the year following the year in which such assessors receive software from the state tax commission which is necessary to provide such notices. For all calendar years prior to January first of the year following receipt of such software, all assessors in counties without a charter form of government and Jefferson County will be required to provide property owners with additional information accompanying the notice of increased assessed value. The notice shall include the previous assessed value and any increase, provide a statement indicating that the change in assessed value may impact the record owner's tax liability, and provide processes and deadlines for appealing determinations of the assessed value. Such notice shall be provided in a way that alerts the record owner of the potential impact on tax liability and the available appellate processes.

Effective January 1, 2011, the St. Louis County Assessor, must provide taxpayers with a notice that information regarding the assessment method and computation of value for such real property is available on the assessor's website and provide the website address whenever the assessor notifies such taxpayers of changes in assessed value. Such notification shall provide the assessor's contact information so taxpayers without internet access can request and receive such information.

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

State Tax Commission
Department of Revenue
Boone County
St. Louis County

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NOT RESPONDING

Counties of: Andrew, Barry, Bates, Buchanan, Butler, Callaway, Camden, Cape Girardeau, Carroll, Cass, Clay, cole, Cooper, DeKalb, Franklin, Greene, Hickory, Jackson, Jasper, Jefferson, Johnson, Knox, Laclede, Lafayette, Lawrence, Lincoln, Marion, Miller, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Pemiscot, Perry, Phelps, Platte, Pulaski, St. Charles, St. Francois, Taney, Texas, Warren, Webster



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May 26, 2010