

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3322-04  
Bill No.: Truly Agreed to and Finally Passed SCS for SB 644  
Subject: Cities, Towns and Villages; Counties; Motels and Hotels; Taxation and Revenue - General  
Type: Original  
Date: June 2, 2010

Bill Summary: Would modify provisions of law regarding certain taxes to fund tourism and convention centers.

**FISCAL SUMMARY**

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

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

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</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 FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- 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).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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## **FISCAL ANALYSIS**

### ASSUMPTION

Officials from the **Office of the State Auditor** and the **State Tax Commission** assume this proposal would have no fiscal impact on their organizations.

Officials from the **Office of Administration, Division of Budget and Planning (BAP)** assumed there would be no added cost to their organization as a result of this proposal. BAP officials stated that this proposal would change provisions governing local tourism taxes, that the proposal would have no direct impact on general and total state revenues, and that any collection fees retained by the Department of Revenue would increase general and total state revenues.

Officials from the **Department of Revenue** assume that implementing the IT portion of this proposal would require 168 hours of programming at a total cost of \$4,441.

**Oversight** assumes OA-ITSD (DOR) is provided with core funding to handle a certain amount of normal activity each year. Oversight assumes OA-ITSD (DOR) could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, OA-ITSD (DOR) could request funding through the appropriation process.

Officials from **Daviess County** assume that this proposal would result in election costs in 2010 (FY 2011) of \$60 for two required publications and \$12,000 for a county-wide election on the sales tax.

**Oversight** notes that this proposal would allow the governing bodies of the four counties to submit a proposed exhibition center and recreational facility district to the voters. Since any fiscal impact related to these provisions would depend on future action by local government and voter approval, Oversight will not indicate any impact for fiscal note purposes.

Officials from **Cass County, St. Louis County, the City of Centralia, and the City of Kansas City** assumed a previous version of this proposal would have no fiscal impact on their organizations.

In response to HB 1272, LR 3461-01 (2010) officials from the **City of Jefferson** responded that additional revenues related to these provisions would be approximately \$280,000 per year.

ASSUMPTION (continued)

**Oversight** did not receive any other responses for this proposal.

**Oversight** notes that this proposal would allow the City of Jefferson and Cole County, and St. Joseph and Buchanan County, respectively, to contract with one another to share tax revenues for the purpose of promoting tourism and constructing, maintaining, and improving a convention center. Current provisions allow cities and counties to perform similar functions individually. Since the proposed legislation would only become effective after the approval of the governing bodies of both organizations, Oversight will indicate no fiscal impact for the proposal.

<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
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

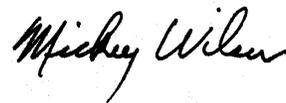
FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

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

Office of the State Auditor  
Office of Administration  
    Division of Budget and Planning  
Department of Revenue  
State Tax Commission  
Cass County  
Daviness County  
St. Louis county  
City of Centralia  
City of Kansas City



Mickey Wilson, CPA  
Director  
June 2, 2010