

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1281-01
Bill No.: HB 416
Subject: Libraries and Archives; Taxation and Revenue - Sales and Use
Type: Original
Date: March 2, 2011

Bill Summary: This proposal allows public library districts to seek voter approval for a sales tax to fund libraries within such districts.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
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 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
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 2012	FY 2013	FY 2014
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **State Tax Commission** and the **Office of Secretary of State** assume that there is no fiscal impact from this proposal.

Officials from the **Department of Revenue (DOR)** state the response to a proposal similar to or identical to this one in a previous session indicated DOR planned to absorb the administrative costs to implement the proposal. Due to budget constraints, reduction of staff and the limitations within DOR tax systems, changes cannot be made without significant impact to DOR resources and budget.

DOR officials state the department and ITSD-DOR will need to make programming changes for various tax systems. DOR will also need to make form changes. Therefore, the IT portion of the fiscal impact is estimated with a level of effort valued at \$13,356 (504 FTE X \$26.50 per hour).

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

The following counties did not respond to **Oversight's** request for fiscal impact: **Butler, Ripley, Wayne, Stoddard, New Madrid, Dunklin** and **Pemiscot**.

Oversight assumes this proposal is discretionary and would have no local fiscal impact without action by the governing body.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small business located within the public library district that elects to impose a sales tax will be required to collect and remit the additional sales tax.

FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

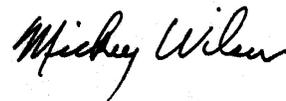
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

State Tax Commission
Office of Secretary of State
Department of Revenue

NOT RESPONDING

Butler County
Ripley County
Wayne County
Stoddard County
New Madrid County
Dunklin County
Pemiscot County



Mickey Wilson, CPA
Director
March 2, 2011