

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1410-01
Bill No.: Perfected SB 241
Subject: Agriculture and Animals; Taxation and Revenue - Sales and Use
Type: Original
Date: April 6, 2011

Bill Summary: Would create state and local sales and use tax exemptions for captive wildlife.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on General Revenue Fund	(Unknown)	(Unknown)	(Unknown)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Conservation Commission	(Unknown)	(Unknown)	(Unknown)
Parks, and Soil and Water	(Unknown)	(Unknown)	(Unknown)
School District Trust	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown)	(Unknown)	(Unknown)

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	(Unknown)	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration, Division of Budget and Planning** (BAP) assume this proposal would not result in additional costs or savings to their organization.

BAP officials assume this proposal would create a sales tax exemption for sales of captive wildlife and feed products for captive wildlife. This proposal would reduce general and total state revenues, and local revenues by an unknown amount.

Officials from the **Department of Conservation** (MDC) assume this proposal would have an unknown negative fiscal impact on their organization. MDC officials deferred to the Department of Revenue for an estimate of the revenue reduction related to this proposal.

Officials from the **Department of Elementary and Secondary Education** deferred to the Department of Revenue for an estimate of the fiscal impact for this proposal.

Officials from the **Department of Natural Resources** (DNR) assume this proposal would create a state and local sales tax exemption on the amount paid for nondomestic game birds sold for hunting. This proposal would create a sales tax exemption for the purchase of feed for captive wildlife and for sales of captive wildlife. Adding exemptions from sales tax would have a negative effect on total state revenue.

ASSUMPTION (continued)

Additional sales tax exemptions would decrease the amount of funding available in the Parks & Soils Sales Tax Funds. These funds have been used for the acquisition and development, maintenance and operation of state parks and historic sites and to assist agricultural landowners through voluntary programs.

Officials from the **Department of Revenue** assume this proposal would have no fiscal impact on their organization.

Officials from **St. Louis County** assume that this proposal would reduce their revenues, and assume the loss would not be great but they could not define their sales tax revenue to this level of detail.

Officials from the **City of Raytown** stated that there is no fiscal impact from this proposal that they could easily identify at this time.

Officials from the **City of Richmond** responded to our request for information but did not provide an estimate of fiscal impact.

Officials from the **Parkway School District** assume that any reduction in sales tax would affect their organization but could not estimate that impact.

Oversight has no information on the annual sales of captive wildlife or feed for captive wildlife; however, Oversight notes that sales in excess of \$3.333 million would be required to produce \$100,000 in sales and use taxes for the General Revenue Fund. Oversight will indicate an unknown reduction of revenues for the state General Revenue Fund and for those other state funds which receive sales tax revenues, and an unknown revenue reduction for local governments.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
GENERAL REVENUE FUND			
<u>Revenue reduction - sales tax exemptions</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
CONSERVATION COMMISSION FUND			
<u>Revenue reduction - sales tax exemptions</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON CONSERVATION COMMISSION FUND	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
PARKS, AND SOIL AND WATER FUNDS			
<u>Revenue reduction - sales tax exemptions</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON PARKS, AND SOIL AND WATER FUNDS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
SCHOOL DISTRICT TRUST FUND			
<u>Revenue reduction - sales tax exemptions</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON SCHOOL DISTRICT TRUST FUND	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
LOCAL GOVERNMENTS			
<u>Revenue reduction</u> - sales tax exemptions	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT - Small Business

This proposal would have a direct fiscal impact to small businesses involved with the sales of captive wildlife.

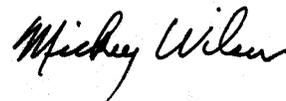
FISCAL DESCRIPTION

The proposed legislation would create state and local sales and use tax exemptions for captive wildlife

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 Administration
 Division of Budget and Planning
Department of Conservation
Department of Elementary and Secondary Education
Department of Natural Resources
Department of Revenue
St. Louis County
City of Raytown
City of Richmond
Parkway School District



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