

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0595-01  
Bill No.: HB 151  
Subject: Bingo; Veterans; Taxation and Revenue - Sales and Use  
Type: Original  
Date: February 1, 2013

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Bill Summary: This proposal exempts suppliers who are veteran's organizations from the tax associated with the sale of bingo cards.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<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 2014	FY 2015	FY 2016
<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 2014</b>	<b>FY 2015</b>	<b>FY 2016</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 2014</b>	<b>FY 2015</b>	<b>FY 2016</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 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §§ 313.055 - 313.057 - Exemption of veteran's organization suppliers from tax on bingo cards

Officials at the **Missouri Gaming Commission (GAM)** assume the intent of this legislation is to exempt veteran organizations from paying the tax on bingo paper and pull-tabs; however, the language is written in a way that it appears to exempt suppliers who are veteran organizations.

GAM assumes the State of Missouri does not have any suppliers who are veteran organizations meaning the fiscal impact as written would be zero.

GAM states there are currently 318 regular bingo licensees, 138, or 43.4%, of which are veteran organizations. The approximate bingo tax collected for FY12 was \$2,113,000. Assuming 43.4% of that total was contributed by veteran organizations, GAM assumes (if the intent of the legislation is to exempt veteran organizations from paying the tax on bingo paper and pull-tabs) the impact would be a decrease of approximately \$917,000 ( $\$2,113,000 \times 43.4\%$ ) in funds contributed to the Bingo Proceeds for Education Fund.

Based upon GAM's statement that the State of Missouri does not have any suppliers who are veteran organizations, **Oversight** will show no direct fiscal impact on state or local government funds as a result of this proposal.

Officials from the **Office of Administration - Division of Budget and Planning, Missouri Veterans Commission, Department of Revenue, and Missouri Tax Commission** each assume the proposal would not fiscally impact their respective agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<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 direct 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

Missouri Gaming Commission  
Missouri Veterans Commission  
Office of Administration -  
Division of Budget and Planning  
Department of Revenue  
Missouri Tax Commission



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