

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0652-01  
Bill No.: HB 254  
Subject: Taxation and Revenue - Sales and Use; Law Enforcement Officers and Agencies;  
 Kansas City  
Type: Original  
Date: March 12, 2013

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Bill Summary: This proposal authorizes the City of North Kansas City to impose, upon voter approval, a sales tax to fund public safety improvements.

**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 4 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**

**§ 94.902 - Public Safety Sales Tax in North Kansas City:**

Officials from the **Department of Revenue (DOR)** state if the proposal is enacted, DOR will be responsible for collection of the sales tax and retain 1% of the cost of collection which will be deposited in the general revenue fund.

DOR assumes the OA-ITSD fiscal impact of this proposal is calculated on an estimated 40 FTE hours valued at \$1,082.

**Oversight** assumes OA-ITSD (DOR) is provided with core funding to handle a certain amount of 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.

**Oversight** assumes the proposal is permissive and dependent upon voter approval. For fiscal note purposes only, **Oversight** will show no direct fiscal impact to the City of North Kansas City as a result of this proposal.

Officials from the **Missouri Tax Commission** and **Office of Secretary of State** each assume the proposal would not fiscally impact their respective agencies.

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

FISCAL IMPACT - Small Business

Direct fiscal impact to small businesses collecting and remitting sales tax revenue for the City of North Kansas City would be expected, if this proposal is enacted.

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

Department of Revenue  
Missouri Tax Commission  
Office of Secretary of State

**Not Responding:**

City of North Kansas City  
Clay County



Ross Strope  
Acting Director  
March 12, 2013