

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1940-01
Bill No.: SB 634
Subject: Taxation and Revenue - Property; Economic Development; St. Louis.
Type: Original
Date: March 17, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
None			
Total Estimated Net Effect on Other 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 2004	FY 2005	FY 2006
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Economic Development (DED)** state this proposal modifies the applicability of certain property taxes to certain tax increment financing projects. DED assumes the proposal would only affect local tax increment financing, and therefore, would have no fiscal impact on their agency.

Officials from the **St. Louis Public Schools** assumes this proposal would not fiscally impact their agency.

Officials from the **City of St. Louis** did not respond to our request for fiscal impact.

Oversight assumes that since this proposal states that effective January 1, 2002, the transitional district's operating levy will not be subject to any new or existing tax increment financing (with one exception), the proposal could result in additional income to the transitional school district. Oversight has reflected this as a fiscal impact of \$0 to Unknown.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
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\$0

\$0

\$0

FISCAL IMPACT - Local Government

FY 2004
(10 Mo.)

FY 2005

FY 2006

ST. LOUIS PUBLIC SCHOOLS

Income - Possible income from additional taxes due to TIF projects

\$0 or Unknown

\$0 or Unknown

\$0 or Unknown

ESTIMATED NET EFFECT TO THE ST. LOUIS PUBLIC SCHOOLS

**\$0 OR
UNKNOWN**

**\$0 OR
UNKNOWN**

**\$0 OR
UNKNOWN**

FISCAL IMPACT - Small Business

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

DESCRIPTION

This proposal prevents the transitional district operating levy authorized in current law from being subject to certain tax increment financing projects. The tax will not be subject to any certificate of tax abatement issued after August 28, 1998, or, as of January 1, 2002, such tax will not be subject to any TIF project in St. Louis with the exception of a project concerning a convention headquarters hotel adopted by ordinance in St. Louis after August 28, 2003.

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

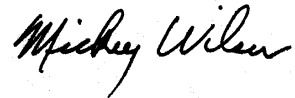
Department of Economic Development

RAS:LR:OD (12/02)

L.R. No. 1940-01
Bill No. SB 634
Page 4 of 4
March 17, 2003

St. Louis Public Schools

NOT RESPONDING: City of St. Louis

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

MICKEY WILSON, CPA
DIRECTOR
MARCH 17, 2003