

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 0979-02
Bill No.: SB 176
Subject: County Sheriff: Elections, Economic Development: Sales Tax Cities
Type: Original
Date: January 18, 2005

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|---|-----------------------|-----------------------|-----------------------|
| FUND AFFECTED | FY 2006 | FY 2007 | FY 2008 |
| General Revenue | \$0 or Unknown | \$0 or Unknown | \$0 or Unknown |
| | | | |
| Total Estimated Net Effect on General Revenue Fund * | \$0 or Unknown | \$0 or Unknown | \$0 or Unknown |

* Income to this fund depends on whether voters would approve a sales tax.

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2006 | FY 2007 | FY 2008 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>Other</u> State Funds | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2006 | FY 2007 | FY 2008 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|-----------------------|-----------------------|-----------------------|
| FUND AFFECTED | FY 2006 | FY 2007 | FY 2008 |
| Local Government | \$0 or Unknown | \$0 or Unknown | \$0 or Unknown |

FISCAL ANALYSIS

ASSUMPTION

Section 57.080: Special Election for Cole County:

Officials of the Office of **Cole County Clerk** stated that this proposal would have one-time savings for the County. Officials estimate a savings of approximately \$50,000 on election cost and approximately another \$8,000 to \$10,000 on computer packs. This proposal would allow Cole County to hold an election to fill a vacancy in conjunction with another election.

This Section has an emergency clause, and an expiration date of June 1, 2005.

Oversight will show an estimated one-time total savings to Cole County of \$60,000 for fiscal year 2005. Because the savings is not within the scope of this fiscal note nothing will appear in the fiscal impact section.

Sections 94.1012: Economic Development- City of Poplar Bluff:

Officials of the **Department of Economic Development** assume no fiscal impact to their department.

ASSUMPTION (continued)

Officials of the **Department of Revenue - Sales Tax Division** assume no fiscal impact to their department.

Oversight assumes this proposal would require voter approval prior to any sales tax being imposed. If the voters would not approve the imposition of a sales tax fiscal impact would be \$0, however, if a sales tax were approved then fiscal impact would occur and would be unknown. Oversight will show fiscal impact as either \$0 or Unknown.

| | | | |
|---|---------------------|---------|---------|
| <u>FISCAL IMPACT - State Government</u> | FY 2006 (10 Mo.) | FY 2007 | FY 2008 |
|---|---------------------|---------|---------|

GENERAL REVENUE FUND

Income to General Revenue Fund
 from 1% DOR sales tax collection fee
 (Section 94.1012)

| | | |
|---------------------------|---------------------------|---------------------------|
| <u>\$0 or Unknown</u> | <u>\$0 or Unknown</u> | <u>\$0 or Unknown</u> |
|---------------------------|---------------------------|---------------------------|

| | | | |
|---|---------------------|---------|---------|
| <u>FISCAL IMPACT - Local Government</u> | FY 2006 (10 Mo.) | FY 2007 | FY 2008 |
|---|---------------------|---------|---------|

CITY OF POPLAR BLUFF

| | | | |
|--|---------|---------|---------|
| Income to City of Poplar Bluff from voter approved sales tax | Unknown | Unknown | Unknown |
|--|---------|---------|---------|

| | | | |
|--|-----------|-----------|-----------|
| Cost to City of Poplar Bluff from funding economic development | (Unknown) | (Unknown) | (Unknown) |
|--|-----------|-----------|-----------|

| | | | |
|---|-----------------------|-----------------------|-----------------------|
| Estimated Net Effect to City of Poplar Bluff (Section 94.1012) * | <u>\$0 or Unknown</u> | <u>\$0 or Unknown</u> | <u>\$0 or Unknown</u> |
|---|-----------------------|-----------------------|-----------------------|

*** Annual fiscal impact to the City of Poplar Bluff for economic development programs would either be \$0 if all funds were spent, or a positive unknown.**

FISCAL IMPACT- Local Government (continued)

NOTE:

One-time savings of approximately \$60,000 to Cole County would occur in fiscal year 2005. Fiscal year 2005 is not within the scope of this fiscal note. Therefore, savings is not shown in the fiscal impact area of this fiscal note. (Section 57.080)

FISCAL IMPACT - Small Business

Fiscal impact to small businesses in the City of Poplar Bluff could expect to have the expense of collection and disbursement of a voter approved sales tax.

DESCRIPTION

This act allows Cole County to elect a sheriff, due to a vacancy in the office, on the general municipal election day (April 5) regardless of the amount of time that lapses from the date of vacancy. Currently, if the vacancy occurs more than 9 months from a general election, a special election must be held. This provision will expire on June 1, 2005.

This act allows the governing body of Poplar Bluff to impose, subject to voter approval, a sales tax on retail sales for the purpose of funding local economic development projects, including transportation projects. The sales tax may be approved at the rate of one-half of 1% of the receipts from taxable retail sales within the city. Revenue collected from the sales tax, less 1% for the cost of collection, is to be deposited by the Director of Revenue into the Local Economic Development Sales Tax Fund. The tax will terminate as approved by the voters.

This act has an emergency clause.

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

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SOURCES OF INFORMATION

Department of Economic Development
Department of Revenue- Sales Tax Division
Office of Cole County Clerk

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large initial "M".

Mickey Wilson, CPA
Director
January 18, 2005