

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1452-01
Bill No.: SB 295
Subject: Taxation and Revenue - Income; Revenue Dept; Treasurer, State; Military Affairs
Type: Original
Date: March 9, 2005

FISCAL SUMMARY

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

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
MO Military Family Relief Fund*	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

*Assumes an unknown amount of contributions distributed to and from the fund annually.

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 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	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety – Adjutant General’s Office (MNG) and State Treasurer’s Office** assume this proposal has no fiscal impact on their agencies.

Officials of the **Office of Administration, Division of Budget and Planning (BAP)** assume this proposal has no impact on BAP. BAP assumes the following: In each tax year beginning January 1, 2005, a taxpayer entitled to a tax refund may designate a portion of that refund go to the newly created Missouri Military Family Relief Fund. This proposal would increase total state revenues. BAP has no basis for estimating the amount of contributions to this fund.

Officials of the **Department of Revenue (DOR)** state that their Division of Taxation will have to modify the MINITS and COINS systems to allow for the check-off to be added to the tax returns and for the accountability of the contributions. DOR assumes any related costs can be absorbed by existing or planned resources.

Officials from the **Department of Public Safety – Missouri Veterans Commission** assumes that as much as \$100,000 in additional postage would required for service officers to assist veterans in preparing applications for Missouri Military Family Relief Fund grants. **Oversight** assumes that such assistance could be handled with existing or planned appropriations.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
MO MILITARY FAMILY RELIEF FUND			
<u>Income</u> - contributions	Unknown	Unknown	Unknown
<u>Transfers Out</u> - to MO Military Families	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON MO MILITARY FAMILY RELIEF FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2006 (10 Mo.)	 FY 2007	 FY 2008
	<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.

DESCRIPTION

This proposal creates a tax refund check-off on the Missouri income tax return. The money designated by the check-off will be deposited into the Missouri Military Family Relief Fund, to be administered by the adjutant general and distributed to the families of Missouri residents who are members of the National Guard or the reserves and have been called to active duty between September 11, 2001, and December 31, 2010, by the president. The check-off is primarily for taxpayers who are to receive a refund. However, taxpayers who owe taxes or who have no tax liability or refund due may also contribute to the fund.

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
Office of Administration
Division of Budget and Planning
Department of Public Safety
Missouri Veterans Commission
Office of the Adjutant General
State Treasurer's Office

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

Mickey Wilson, CPA
Director
March 9, 2005