

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1472-02  
Bill No.: Perfected SCS for SB 310  
Subject: Retirement Systems and Benefits – General; Taxation and Revenue – Income  
Type: Original  
Date: March 31, 2005

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**FISCAL SUMMARY**

| <b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>                   |            |            |            |
|-----------------------------------------------------------------------|------------|------------|------------|
| FUND AFFECTED                                                         | FY 2006    | FY 2007    | FY 2008    |
|                                                                       |            |            |            |
|                                                                       |            |            |            |
| <b>Total Estimated<br/>Net Effect on<br/>General Revenue<br/>Fund</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

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

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 3 pages.

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

| ESTIMATED NET EFFECT ON LOCAL FUNDS |            |            |            |
|-------------------------------------|------------|------------|------------|
| FUND AFFECTED                       | FY 2006    | FY 2007    | FY 2008    |
| <b>Local Government</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

### FISCAL ANALYSIS

#### ASSUMPTION

Officials with the **Department of Revenue and Missouri County Employees' Retirement System** assume this proposal would have no fiscal impact on their agencies.

Officials with the **Missouri Local Government Employees Retirement System (LAGERS) and Public School Retirement System of Missouri (PSRS)** assume this proposal could result in minor administrative costs related to the revision of forms, brochures, and related programming and personnel costs. Oversight assumes such costs would be minimal and that LAGERS and PSRS could absorb such costs with existing resources.

| <u>FISCAL IMPACT - State Government</u> | FY 2006<br>(10 Mo.) | FY 2007           | FY 2008           |
|-----------------------------------------|---------------------|-------------------|-------------------|
|                                         | <b><u>\$0</u></b>   | <b><u>\$0</u></b> | <b><u>\$0</u></b> |

| <u>FISCAL IMPACT - Local Government</u> | FY 2006<br>(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.

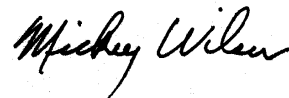
DESCRIPTION

This legislation requires mandatory withholding of retirement income which includes withholding for entities outside of Missouri. The term retirement income is defined as any annuity, pension, or retirement allowance as defined in subsection 1 of Section 143.124, RSMo. A taxpayer is granted the option to have additional withholding or, upon written notification, the taxpayer may elect not to have an amount withheld from their payment.

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 County Employees' Retirement System  
Missouri Local Government Employees Retirement System  
Public School Retirement System of Missouri



Mickey Wilson, CPA  
Director  
March 31, 2005