

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1747-01
Bill No.: Perfected SJR 19
Subject: Counties; Constitutional Amendments; Taxation and Revenue-Property; Veterans
Type: Original
Date: April 28, 2005

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|---|------------|-------------------|------------|
| FUND AFFECTED | FY 2006 | FY 2007 | FY 2008 |
| General Revenue | \$0 | (\$38,670) | \$0 |
| | | | |
| Total Estimated Net Effect on General Revenue Fund | \$0 | (\$38,670) | \$0 |

| 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 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 |
| | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTIONS

Officials from the **Cole County Assessor's Office** assume this proposal would have no impact on their office or on political subdivisions in Cole County since property owned by veterans' organizations is not currently being assessed or taxed.

Officials from the office of the **Secretary of State (SOS)** stated that statewide newspaper publication of constitutional amendments cost approximately \$1,289 per column inch per publication date based on an estimate provided by the Missouri Press Service. The SOS estimated this proposal would require 10 column inches including title header and certification paragraph, for three required publications. $((\$1,289 \times 3 = \$3,867) \times 10 = \$38,670)$. Estimated costs are based on 2004 figures and subject to change.

Officials from the **Department of Revenue**, and the **Department of Public Safety, Office of the Director and Missouri Veterans Commission**, assume this proposal would have no impact on their organizations.

ASSUMPTIONS (continued)

In response to a similar proposal in the prior session, officials from the **Office of Administration, Division of Budget and Planning**, and **Division of Design and Construction**, and the **Office of the Attorney General**, assumed the proposal would have no impact on their organizations.

Officials from the **State Tax Commission** assume this proposal would reduce tax revenues for political subdivisions, but they are unable to estimate the impact of this proposal because they do not have any information regarding the number of veterans' organizations or the amounts of taxable property they own.

Oversight assumes the proposal would be submitted to the voters in November 2006. Oversight also assumes that if the voters approved the constitutional amendment, there would be an unknown reduction in political subdivision tax revenues, and an impact to the state Blind Pension Fund of approximately one-half of one percent of the impact to political subdivisions. Any impact to tax revenues would begin in FY 2008 since 2006 taxes collected in FY 2007 would already be determined before the November 2006 election.

| <u>FISCAL IMPACT - State Government</u> | FY 2006 (10 Mo.) | FY 2007 | FY 2008 |
|---|---------------------|--------------------------|-------------------|
| GENERAL REVENUE FUND | | | |
| <u>Cost - Secretary of State</u> | | | |
| Publication cost | <u>\$0</u> | <u>(\$38,670)</u> | <u>\$0</u> |
| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | <u>\$0</u> | <u>(\$38,670)</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 would submit to the voters an amendment to the state constitution to exempt property owned by veterans' organizations from property taxation. The amendment would be submitted to the voters in the November 2006 general election, or at a special election to be called by the governor.

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

Office of the Secretary of State
Department of Public Safety
Office of the Director
Missouri Veterans' Commission
Department of Revenue
State Tax Commission
Office of the Cole County Assessor



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Director
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