

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5170-01
Bill No.: Perfected SB 1056
Subject: Political Subdivisions: Community Improvement Districts
Type: Original
Date: March 28, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

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

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

Oversight assumes this proposal modifies the method of how community improvement districts may impose a sales tax. Oversight assumes any fiscal impact to local political subdivisions would require a vote of the people. Oversight assumes this proposal as written would have no local fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<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 act modifies the sales tax provision for community improvement districts. Under the current law, a community improvement district may, by resolution, impose a sales tax at a rate of 1/8, 1/4, 3/8, 1/2 of one percent. This act allows the sales tax to be imposed in increments of one-eighth of one percent, up to a maximum of one percent.

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- Sales Tax Division
Department of Economic Development

NOT RESPONDING

Oversight sent response request to the cities of Clayton, Ladue, Belton, Independence, Lees Summit, Raytown, Maryland Heights, St. Louis, Kansas City, St.Louis County, Jackson County, and many others with no response.



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Director
March 28, 2006