

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5425-01  
Bill No.: SB 1212  
Subject: St. Louis City: Sales Tax, Public Safety  
Type: Original  
Date: March 30, 2006

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
General Revenue	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0 or Unknown</b>	<b>\$0 or Unknown</b>	<b>\$0 or Unknown</b>

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

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

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

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

**FISCAL ANALYSIS**

ASSUMPTION

Officials of the **Department of Revenue - Sales Tax Division** assume they would have no fiscal impact. Collections could be made with existing resources.

**Oversight** assumes this proposal is permissive. There would be no fiscal impact without action by the governing body with voter approval. **Oversight** assumes this proposal as written does not require the City of St. Louis to levy a sales tax, it only allows the governing body to seek voter approval to levy a sales tax. **Oversight** cannot determine if a sales tax would be approved, or if approved at what rate, or the amount of tax revenue that would be generated.

Because it is not known if the voters would approve a sales tax, **Oversight** will show income generated by the 1% collection fee as \$0 if voters did not approve a sales tax, or as a positive unknown if voters were to approve the sales tax.

**Oversight** assumes that if a sales tax were approved, that there would be an unknown amount of income generated that would go into a special public safety trust fund and could only be used for the operation of public safety departments, including police and fire departments.

ASSUMPTION (continued)

**Oversight** assumes that annual costs of providing services would not exceed the income **Oversight** will show income to the public safety trust fund as \$0 or as a positive unknown and costs to the fund for providing public safety related services as \$0 or as a negative unknown. **Oversight** assumes that annual costs of providing services would not exceed the income generated by the sales tax. **Oversight** for the purposes of this fiscal note will show fiscal impact to the special trust fund as \$0.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
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**GENERAL REVENUE FUND**

<u>Income</u> to Department of Revenue From 1% collection fee.	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
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<b>ESTIMATED NET EFFECT TO STATE GENERAL REVENUE FUND</b>	<b><u>\$0 or Unknown</u></b>	<b><u>\$0 or Unknown</u></b>	<b><u>\$0 or Unknown</u></b>
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<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
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**CITY OF ST. LOUIS - PUBLIC SAFETY TRUST FUND**

<u>Income</u> to St. Louis Public Safety Trust Fund From voter approved sales tax.	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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<u>Cost</u> to St. Louis Public Safety Trust Fund From providing for the operations of public safety departments.	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
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<b>ESTIMATED NET EFFECT TO ST. LOUIS PUBLIC SAFETY TRUST FUND</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
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FISCAL IMPACT - Small Business

Small businesses located in the City of St. Louis would be expected to pay and collect the sales tax should voters approve the imposition of one.

DESCRIPTION

This act allows the City of St. Louis to impose a sales tax of up to one-half of one percent on all retail sales for the purpose of providing revenues for the operation of public safety departments.

The Department of Revenue would collect the tax revenue derived from the tax and may retain one percent of the revenue collected to offset the cost of collection.

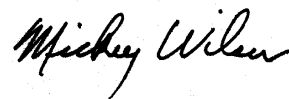
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue - Sales Tax Division

NOT RESPONDING

St. Louis City



Mickey Wilson, CPA  
Director  
March 30, 2006