

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5439-02  
Bill No.: SCS for SB 1175  
Subject: City of Excelsior Springs: Bonds, Sales Tax, Community Center  
Type: Original  
Date: March 17, 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.

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

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

**FISCAL ANALYSIS**

ASSUMPTION

Officials of the **Department of Revenue** assume no fiscal impact.

**Oversight** assumes this proposal allows for two sales tax issues with two different purposes, to be voted upon by the citizens of the City of Excelsior Springs. **Oversight** assumes that this proposal is permissive and requires the governing body at their discretion to place upon the ballot the question of imposing a sales tax for retiring bonds that would be used for constructing, equipping, operating, and maintaining of a community center or to retire current debt and building a community center.

**Oversight** assumes the Department of Revenue would collect the tax and would retain a 1% collection fee which would be deposited into the state's general revenue fund. **Oversight** does not know if the voters would approve the imposition of a sales tax, nor if they did at what rate. Therefore, **Oversight** will show fiscal impact to the general revenue fund as \$0 or Unknown.

**Oversight** does not know the costs involved in constructing a community center or the amount of current bonded indebtedness; therefore, costs will be shown as a negative unknown.

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

<b><u>Income</u></b> to Department of Revenue From Sales Tax 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 COMMUNITY CENTER  
SPECIAL TRUST FUND**

<b><u>Income</u></b> to City Special Trust Fund From voter approved sales tax	Unknown	Unknown	Unknown
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<b><u>Cost</u></b> to City Special Trust Fund For retiring bonds, or retiring current bonds and community center bonds. *	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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<b>ESTIMATED NET EFFECT TO CITY SPECIAL TRUST FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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\* This proposal is permissive. Fiscal impact would require governing body action with voter approval. Costs would be for either retiring bonds for the construction, equipping, maintaining and operation, of a community center, or under subdivision (1) for construction, equipping, operation of a community center and to retire current debt of bonded indebtedness. For purposes of this fiscal note fiscal impact to the city special trust fund will be shown a \$0. Oversight assumes annual costs would not exceed income.

FISCAL IMPACT - Small Business

Small businesses located within the boundaries of the city would be expected to pay the voter approved sales tax, and to administer and collect the sales tax.

DESCRIPTION

This act allows the city of Excelsior Springs to issue bonds and levy a sales tax of up to one-half of one percent on all retail sales made within the city for the purpose of constructing, equipping, operating and maintaining a community center for the city. The sales tax revenue shall be collected by the Department of Revenue which may retain one percent of such revenue to offset the costs of collection. The remaining revenue shall be transferred to the city to be placed into the "City Community Center Trust Fund" created by this act

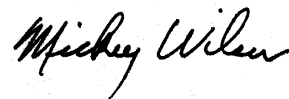
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue - Sales Tax

NOT RESPONDING

Oversight sent a response request to the City of Excelsior Springs, however, due to timing they have not responded.



Mickey Wilson, CPA  
Director  
March 17, 2006