

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0929-03  
Bill No.: Truly Agreed To and Finally Passed CCS for SB 233  
Subject: Senior Services: Counties, Sales Tax, Transient Guest Tax, Recreation  
Type: Original  
Date: May 11, 2007

Bill Summary: Modifies laws relating to local government.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
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 2008	FY 2009	FY 2010
Senior Services and Youth Programs Trust	\$0	\$0	\$0
<b>Total Estimated Net Effect on Other State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
 This fiscal note contains 10 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</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 FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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## **FISCAL ANALYSIS**

### ASSUMPTION

#### Section 67.997 - PERRY COUNTY SALES TAX- SENIOR AND YOUTH PROGRAMS:

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

Officials of the **Department of Health and Senior Services** assume no fiscal impact.

**Perry County** officials did not respond.

**Oversight** assumes this proposal in permissive and as written would have no fiscal impact without action by the governing body with voter approval. **Oversight** will show fiscal impact to the Department of Revenue to collect the sales tax.

The collection of sales tax would be done by the State Department of Revenue. The state would collect a 1% collection fee that would be deposited in the State's General Revenue Fund.

#### Section 67.113 - CHILDREN'S SERVICES PROTECTION ACT:

requires a city or county who has levied the sales tax under Section 67.1775, RSMo, for children in need, to reimburse a children's services fund the portion of revenue that was diverted to another use.

The provisions of this section is identical to HB 184 fiscal note 384-03 of this session. The fiscal note assumes no state or local fiscal impact.

#### Section 67.1003 CITY OF GLADSTONE - TOURISM: TRANSIENT GUEST TAX:

authorizes the City of Gladstone to impose a voter approved transient guest tax for the promotion of tourism.

The provisions of this section is identical to HB 271 fiscal note 690-01 of this session. The following fiscal impact statements were made:

Officials of the **Department of Economic Development - Tourism Division** assume no fiscal impact to the department.

ASSUMPTION (continued)

**Oversight** assumes this proposal is permissive, and as written, would have no fiscal impact. **Oversight** assumes fiscal impact would not be realized without action by the governing body with voter approval. **Oversight** will show fiscal impact as \$0 to Unknown. The fiscal impact would be zero if the voters would not approve the imposition of a guest tax.

Section 67.797 - REGIONAL RECREATIONAL DISTRICT IN BOONE COUNTY:

Authorizes the governing body of Boone County to have exclusive control over the expenditures and operation of a Regional Recreation District located only in that county on land owned by the county.

The provisions of this section is identical to HB 361 fiscal note 1011-01 of this session. The following fiscal impact statements were issued:

Officials of the **Department of Natural Resources - State Parks** assume no fiscal impact.

The **Boone County Commission** was sent a response request and they did not respond.

**Oversight** assumes that this proposal is procedural and does not mandate an additional expenditure of county funds. **Oversight** assumes that county officials would have insignificant administrative impact from managing the district funds.

**Oversight** assume no state or local fiscal impact.

Section 100.050 provides a new method for disbursing funds among affected taxing districts in industrial development projects in Boone County.

The provisions of this section is identical to HB 251 fiscal note 1012-01 of this session. The following fiscal impact statement were issued:

Officials of the **Department of Economic Development (DED)** state this proposal would have no fiscal or administrative impact on the department.

Officials of the **Department of Elementary and Secondary Education** assume no fiscal impact to their department or to local school districts.

ASSUMPTION (continued)

Officials of the **State Tax Commission** assume no fiscal impact to the commission.

Officials of the **City of Columbia** and the **Boone County Commission** did not respond to our request for fiscal impact.

**Oversight** assumes the proposal would change the distribution of excess payments from lessees of industrial development projects within Boone County. **Oversight** assumes the proposal may result in a possible reduction of excess funds distributed to school districts, junior college districts, county or cities, and an offsetting possible increase in disbursements to other taxing entities. **Oversight** assumes the net effect to local political subdivisions would net to zero.

Section 82.875- authorizes the City of Independence to impose, upon voter approval, a sales tax of up to 1% of gross retail receipts to be used for funding police services provided by the municipal police department.

The provisions of this section is identical to HB 1091 fiscal note 2617-01 of this session. The following fiscal impact statements were made:

Officials of the **Missouri Department of Revenue - Sales Tax Division (DOR)**, assume there would be no fiscal impact to the division of taxation.

Officials assume if the voters of the City of Independence were to approve the imposition of a sales tax the DOR would collect the tax and retain a 1% collection fee which would be deposited into the state's General Revenue Fund. This would increase state revenues

**Oversight** will show fiscal impact to the General Revenue Fund as \$0 or Unknown. Fiscal impact would be zero if the voters did not approve the imposition of a sales tax.

**Oversight** sent a response request to the **City of Independence** and they have not responded.

FISCAL IMPACT - State Government                      FY 2008                      FY 2009                      FY 2010  
 (10 Mo.)

**GENERAL REVENUE FUND**

**Income** - 1% sales tax collection fee. \*                      \$0 or Unknown                      \$0 or Unknown                      \$0 or Unknown

**ESTIMATED NET EFFECT TO  
 GENERAL REVENUE FUND**                      **\$0 or Unknown**                      **\$0 or Unknown**                      **\$0 or Unknown**  
 (Sections 67.997 & 82.875)

**SENIOR SERVICES and YOUTH  
 PROGRAMS SALES TAX TRUST  
 FUND (67.997)**

**Transfer In from DOR** - Voter approved sales tax in Perry County.                      \$0 or Unknown                      \$0 or Unknown                      \$0 or Unknown

**Transfer Out** - to Perry County for distribution.                      \$0 or  
(Unknown)                      \$0 or  
(Unknown)                      \$0 or  
(Unknown)

**ESTIMATED NET EFFECT TO  
 SENIOR SERVICES and YOUTH  
 PROGRAMS SALES TAX TRUST  
 FUND. (Section 67.997)**                      **\$0**                      **\$0**                      **\$0**

FISCAL IMPACT - Local Government                      FY 2008                      FY 2009                      FY 2010  
 (10 Mo.)

**PERRY COUNTY SENIOR  
 SERVICES TAX COMMISSION  
 FUND (Section 67.997)**

**Transfer In** of voter approved sales tax collection from Senior Services and Youth Programs Sales Tax Trust Fund.                      \$0 or Unknown                      \$0 or Unknown                      \$0 or Unknown

<u>FISCAL IMPACT - Local Government</u> (continued)	FY 2008 (10 Mo.)	FY 2009	FY 2010
<u>Cost</u> - From providing senior services	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Cost</u> - providing youth Programs *	<u>\$0 or</u> (Unknown)	<u>\$0 or</u> (Unknown)	<u>\$0 or</u> (Unknown)
<b>ESTIMATED NET EFFECT TO PERRY COUNTY FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

**CITY OF GLADSTONE TOURISM  
FUND (Section 67.1003)**

<u>Income</u> -From voter approved transient guest tax.	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Cost</u> - From promotion of tourism	<u>\$0 or</u> (Unknown)	<u>\$0 or</u> (Unknown)	<u>\$0 or</u> (Unknown)

<b>ESTIMATED NET EFFECT TO CITY OF GLADSTONE FUND *</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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**CITY OF INDEPENDENCE -  
SPECIAL LAW ENFORCEMENT  
FUND (Section 82.875)**

<u>Income</u> - City of Independence Voter approved sales tax	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Cost</u> - City of Independence Providing police services	<u>\$0 or</u> (Unknown)	<u>\$0 or</u> (Unknown)	<u>\$0 or</u> (Unknown)

<b>ESTIMATED NET EFFECT TO CITY OF INDEPENDENCE FUND **</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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<u>FISCAL IMPACT - Local Government</u> (continued)	FY 2008 (10 Mo.)	FY 2009	FY 2010
<b>ESTIMATED NET EFFECT TO ALL LOCAL GOVERNMENT</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

**\* One-half of Perry County voter approved sales tax collections is to be administered by an existing county community task force.**

**\*\***

**Oversight assumes annual costs of providing police services would not exceed annual income generated by the voter approved sales tax, which would result in either an annual net zero fund balance or a positive unknown fund balance. For purposes of this fiscal note, fund balance will be shown a zero.**

FISCAL IMPACT - Small Business

Retail businesses in Perry County would be required to collect and remit the additional sales tax if approved by the vote of the people. (Section 67.997)

Small businesses located within the City of Independence and Perry County would be required to pay, collect, and remit the increased sales tax, if approved by the voters. (Sections 67.997 & 82.875)

Certain small businesses located within the City of Gladstone that has a voter approved transient guest tax would have impact related to collection and administration of the tax. (Section 67.1003)

FISCAL DESCRIPTION

Section 67.997 authorizes Perry County to impose, upon voter approval, a sales tax of up to one-fourth of 1% to equally fund senior services and youth programs. A senior services tax commission must be established to administer the revenue received for senior services.

Section 67.113 This section requires a city or county who has levied the sales tax under Section 67.1775, RSMo, for children in need to reimburse a children's services fund the portion of revenue that was diverted to another use.



DESCRIPTION (continued)

Section 67.1003 Authorizes the City of Gladstone to impose a voter approved transient guest tax for the promotion of tourism.

Section 67.797 Authorizes the governing body of Boone County to have exclusive control over the expenditures and operation of a Regional Recreation District located only in that county on land owned by the county.

Section 100.050 - Currently, if a municipality undertakes an industrial development project which was approved after August 28, 2003, the lessee may reimburse the municipality for the actual costs of issuing the bond and administering the plan. Anything reimbursed in excess of the actual costs must be disbursed to each school district, junior college district, county, or city in proportion to its current ad valorem tax levy.

This section specifies that for plans approved after May 15, 2005, in Boone County, reimbursements in excess of the actual costs must be disbursed to each affected taxing entity in proportion to the current ad valorem tax levy of each affected taxing entity, not just the entities in current law.

Section 82.875 this section authorizes the City of Independence to impose, upon voter approval, a sales tax of up to 1% of gross retail receipts to be used for funding police services provided by the municipal police department.

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

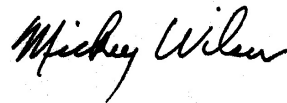
SOURCES OF INFORMATION

Department of Revenue - Sales Tax  
Department of Health and Senior Services  
Department of Economic Development - Tourism Division  
Department of Natural Resources - State Parks  
Department of Elementary and Secondary Education  
State Tax Commission

L.R. No. 0929-03  
Bill No. Truly Agreed To and Finally Passed CCS for SB 233  
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NOT RESPONDING

Perry County Commission

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, slightly slanted style.

Mickey Wilson, CPA  
Director  
May 11, 2007

RWB:LR:OD (12/02)