

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1920-04
Bill No.: Truly Agreed To and Finally Passed HCS for SCS for SB 497
Subject: Counties
Type: Original
Date: June 1, 2007

Bill Summary: Modifies laws relating to County Collectors, Public Administrators,
County Treasurers, County Salary Commissions, and Transportation.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

☐ 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).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	Unknown	Unknown	Unknown

FISCAL ANALYSIS

ASSUMPTION

Sections 52.290, 52.312, 52.315, and 52.317 : JACKSON COUNTY - TAX MAINTENANCE FUND:

In response to similar legislation of this session, SCS for HB 125 fiscal note 0712-03 the following fiscal impact statements were made:

Officials of the **Office of the State Auditor** assume no fiscal impact.

Officials of the **State Tax Commission** and the **Department of Revenue** assume no fiscal impact to their agencies.

Officials of the office of the **Cole County Collector** assume the changes are mainly procedural and would have no fiscal impact to their office.

Officials of the **Boone County Collector's** office assume no fiscal impact.

The **Texas County Clerk** assumes no negative fiscal impact to their county.

Oversight assumes that the changes made in Sections 52.290 and 52.312 would require the Jackson County Collector to charge a fee of three percent on delinquent and back tax statements, for the collection of such taxes, rather than the two percent currently allowed.

Oversight assumes this proposal would require Jackson County to establish a Tax Maintenance Fund as required in Section 52.312, and to deposit one-third of the three percent collected on delinquent taxes into that fund. The remaining two-thirds of the three percent collected would continue being deposited into the County General Revenue Fund. Jackson County currently collects two percent which all goes to the County's General Revenue Fund. **Oversight** assumes no fiscal impact to the County's General Revenue Fund.

Oversight will show fiscal impact to Jackson County's Tax Maintenance Fund as a positive unknown.

ASSUMPTION (continued)

Oversight notes there would be some insignificant savings from not having to send out tax sale notices as certified mail.

Oversight sent response request to Jackson County and they did not respond.

Section 94.660 ST. LOUIS CITY and COUNTY: TRANSPORTATION SALES TAX:

In response to identical legislation of this session, SB 605, fiscal note 2199-04 the following fiscal impact statements were made:

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

Officials of the office of the **Director of Administration of St. Louis County** assumes no fiscal impact.

Oversight assumes that by removing the “coupling provision” contained in current law, would make establishing the sales tax easier to impose in either jurisdiction. Current law requires passage by both the City of St. Louis and St. Louis County before either could impose a sales tax for transportation purposes. **Oversight** assumes no state or local fiscal impact.

Sections 58.500 and 473.743 - PUBLIC ADMINISTRATOR: DUTIES

Officials of the **Office of State Auditor** assume no fiscal impact.

The **Boone County Treasurer** assumes no fiscal impact.

The **St. Louis County Public Administrator** assumes there would be considerable administrative impact from complying with the new duties in this proposal.

The **Jackson County Public Administrator** stated that they would anticipate that they would incur costs of at least \$75,000 per year. Officials stated those costs would include the need to add at least .50 FTE, an Attorney to the staff to prepare and process the legal documents necessary in order to open the estates for funds management as require under Section 473.743 RSMo. Officials assume they would also incur expenses related to the court costs assessed to open the estate and to manage the assets until they could be transferred to the heirs at law. Officials assume there would be no loss of revenue.

ASSUMPTION (continued)

Oversight assumes there would be a switch of duties, concerning the delivery of money, from the County Treasurer to the County Public Administrator. **Oversight** assumes that any costs in performing these duties would be defrayed in the manner allowed for by law and in Section 473.743 RSMo., the Public Administrator would deduct all fees and expenses at time of settlement. **Oversight** assumes there would be some administrative impact but no fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010

**JACKSON COUNTY- TAX
 MAINTENANCE FUND (sections
 52.290 and 52.312, 141.150 and
 141.640)**

<u>Income</u> - Tax Maintenance Fund From one-third of penalty fee of 3%.	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
ESTIMATED NET EFFECT TO LOCAL GOVERNMENT	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill changes the laws regarding counties. In its main provisions, the bill:

- (1) Increases the tax imposed on delinquent and back tax statements for the collection of such taxes for Jackson County from two percent to three percent.

DESCRIPTION (continued)

Jackson County would have to establish a Tax Maintenance Fund which would be funded by one percent of the three percent collected. Monies in the fund are to be used solely as a depository for funding additional costs and expenses incurred in the office of Collector.

(2) Requires unclaimed money or property found on a deceased individual to be delivered to the public administrator;

(3) Changes the deadline for county commissions to receive proposals and publicly open bids from banks bidding to be a depository of public funds from April 1 of each year to any date on or before the first Monday of July; and

(4) Specifies that any transportation sales tax approved on or after August 28, 2007, by the voters in either the City of St. Louis or St. Louis County will not require approval in both jurisdictions to become effective.

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 State Auditor
State Tax Commission
Department of Revenue
Cole County Collector
Boone County Collector
Texas County Clerk
Boone County Treasurer
Jackson County Public Administrator
St. Louis County Public Administrator
Director of Administration - St. Louis County

NOT RESPONDING

Callaway County
Camden County
Cape Girardeau County
Carroll County

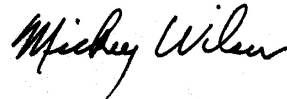
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Franklin County

NOT RESPONDING (continued)

Laclede County
Marion County
Miller County
New Madrid County
Perry County

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

Mickey Wilson, CPA
Director
June 1, 2007

RWB:LR:OD (12/02)