COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3297-21
Bill No.: Truly Agreed To and Finally Passed CCS for HCS for SS for SCS for SB 711
Subject: County Officials; Courts; Political Subdivisions; Property, Real and Personal; Public Officers; State Tax Commission; Taxation and Revenue - Property
Type: Original
Date: May 30, 2008

Bill Summary: Would modify certain provisions regarding property taxation.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	(More than $16,419,864)	(More than $18,444,030)	(More than $22,460,998)
Total Estimated Net Effect on General Revenue Fund	**(More than $16,419,864)**	**(More than $18,444,030)**	**(More than $22,460,998)**

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Blind Pension	$0	(Unknown)	(Unknown)
Total Estimated Net Effect on Other State Funds	**$0**	**(Unknown)**	**(Unknown)**

Numbers within parentheses: ( ) indicate costs or losses.
This fiscal note contains 20 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on All Federal Funds	**$0**	**$0**	**$0**

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	11	11	11
Total Estimated Net Effect on FTE	**11**	**11**	**11**

☐ 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 2009	FY 2010	FY 2011
Local Government	**$0**	**(More than $5,810,485)**	**(More than $1,810,485)**

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Courts Administrator** assume there would be no fiscal impact on the courts.

Officials from the **Office of Administration, Division of Budget and Planning** (BAP), assume this proposal would not cause any added cost to their organization.

Local government tax rate setting

This proposal would make various changes to the way local governments may set their tax levies. These changes may impact the Blind Pension Fund, and may impact the schools' foundation formula. BAP defers to the Department of Social Services (DSS) and the Department of Elementary and Secondary Education (DESE) for any estimated impacts.

Property tax notifications

This proposal would create numerous new notification procedures for county clerks and assessors. Additional state appropriations may be required to comply with Article X, Section 21 of the Missouri Constitution.

Senior Property Tax Credit Program

This proposal would raise the maximum credit for the Circuit Breaker program from $750 to $1100 and would make changes to the qualifying income thresholds. BAP defers to the Department of Revenue (DOR) for the estimate of reduces general and total state revenues.

Agricultural property

This proposal would include a horse show arena in the definition of agricultural property, thus lowering the property taxes on qualifying properties. This provision would have no impact on general revenues, but could impact the Blind Pension Fund. BAP defers to DSS for any such impacts. To the extent this proposal may impact the foundation formula for schools, state expenditures may increase. BAP defers to DESE for any calculations of this impact.

ASSUMPTION (continued)

Homestead Preservation Tax Credit Program

This proposal would change the calculation of the Homestead Preservation Credit appropriation, and the method the DOR uses to allocate the appropriation. BAP defers to DOR for any estimate of increased costs, but the credit itself would remain subject to appropriation.

Railroad rolling stock property tax credit

This proposal would create a property tax credit for qualifying rolling stock of freight line companies, which is subject to appropriation. BAP defers to the State Tax Commission (STC) for an estimate of increased General Revenue expenses resulting from this proposal.

Property Tax Ombudsman

This proposal would create an office of property tax ombudsman in the STC. BAP defers to the STC for increased General Revenue costs.

Department of Revenue Public Record Sales

This proposal would require DOR to provide batch motor and other vehicle records for no more than 0.5 cents per record. BAP defers to DOR for any estimated impact on revenues or agency costs. This amendment would likely increase TSR.

Senior Tax Credit Program Changes

Officials from the **University of Missouri, Economic and Policy Analysis Research Center** (EPARC) assumed that this proposal would increase the upper limit for the Senior Tax Credit (circuit breaker) program from $25,000 to $30,000, would increase the maximum credit from $750 to $1,100, and increase the marriage credit (spouse exemption) from $2,000 to $4,000. EPARC officials calculated a revenue reduction of $12.9 million for this provision.

Oversight notes that information provided by the Department of Revenue indicates that only 46 percent of Senior Tax Credit recipients are owners and the balance of recipients are renters. The proposal would increase the maximum credit to $1,100 for owners; therefore the impact of this provision would likely be 46 percent of $12.9 million or $5.9 million.

ASSUMPTION (continued)

Officials from the **Department of Elementary and Secondary Education** (DESE) assume this proposal would have no direct fiscal impact on their organization. DESE officials stated that the proposed changes in the Homestead Preservation Tax Credit Program would not appear to require any increase to the basic state aid program for school districts. DESE officials also noted that local taxing authorities would have additional reporting requirements and would be required to provide an estimated tax levy rate to the county clerk by April 8 each year. In summary, DESE officials assume these provisions would increase costs for some school districts while also decreasing tax revenue.

Officials from the **State Tax Commission** (TAX) assumed that the provision which would require TAX to develop a software program or a contract to be awarded to a vendor that would produce a tax liability notice. It is unknown to TAX the number or the complexity of the various computer systems maintained by the county collectors throughout this state. TAX would need to employ at least 1 Computer Information Technology Specialist III and one Senior Office Support Assistant, and secure the necessary funding for office supplies and computer equipment. The Information Technology Specialist would be responsible for developing a computer software program to assist with the production of the notices, or work with the Information Technology Service to develop a contract to be awarded. Once the contract is awarded to the successful bidder, the Information Technology Specialist would coordinate the installation of the new software with the numerous computer systems used by the county collectors.

The cost of the contract is unknown but could be substantial. The Commission will prepare a budget request to secure the necessary funding for the additional employees, equipmentm, expenses, and contracts.

The proposal would also require counties to produce a projected tax liability notice; the counties would incur additional costs to update their computer systems for this notice. This proposal would require TAX to reimburse the counties for any and all expenses associated with this notice. TAX officials assume the cost to produce this notice for the various counties would range from $25,000 to $600,000 for the county. TAX does not currently have the funds available to reimburse the counties and would be required to submit a supplement budget request for such funding.

ASSUMPTION (continued)

This legislation would create a new position classified as the "State Ombudsman" with the duties outlined in this proposal. TAX assumes the new employee would be paid approximately $70,000.00 per year. TAX assumes that an additional Senior Office Support Assistant would also needed. We anticipate this employee would be paid approximately $30,000 per year. TAX would submit a budget request to secure the necessary funding for these positions and necessary equipment and supplies.

TAX assumes that the additional employees would also need cubicles, phones and other related equipment and notes that the Computer Information Technology Specialist and the State Omudsman would be doing extensive traveling throughout the state; therefore 2 additional vehicles would be required.

This legislation would also change the assessment classification for a horse show arena from commercial property to agricultural property. This change would not impact TAX and should have a minimal impact to the local political subdivisions.

This proposal legislation would create a freight line tax credit for qualified expenditures on rolling stock, to be applied to the freight line company's ad valorem property tax. TAX assumes that only those freight line companies that are defined by Section 137.1003. (4) RSMo would be eligible for the tax credit. There are approximately 345 freight line companies; their ad valorem property tax was $4.1 million dollars in calendar year 2007.

TAX officials assume that for calendar year 2007 and following years the amount of taxes would be approximately $4 million dollars. If we assume that each of these companies would have significant eligible expenses to offset the total amount of tax due, the State of Missouri would be required to reimburse the local taxing authorities approximately $4 million dollars per year. This credit would be effective on January 1, 2009 for property taxes collected in FY 2010.

In summary, TAX provided an estimated fiscal cost to implement this proposal, including additional employees, equipment, expenses, and tax credit reimbursements of $282,382 for FY 2009, $4,307,242 for FY 2010, and $4,316,460 for FY 2012. Those totals do not include unknown amounts indicated in the TAX estimate for travel and tax estimating software.

TAX officials assume the revenue reduction from the reclassification of horse show arenas from commercial to agricultural property would have a minimal impact on local government revenues. Accordingly, Oversight will not indicate a fiscal impact for the purposes of this fiscal note.

ASSUMPTION (continued)

Oversight has, for fiscal note purposes only, changed the starting salary for the additional positions to correspond to the second step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research. Oversight has adjusted equipment and expense estimates in accordance with Office of Administration budget guidelines. Oversight assumes that pool, rental, or personal vehicles could be used for employee travel, so that additional vehicles would not be necessary. Oversight has included an estimated amount of $24,000 in travel for the two additional employees. If unanticipated costs are incurred or if multiple proposals are implemented which increase the TAX workload, resources could be requested through the budget process.

Oversight will indicate a cost in excess of $100,000 per year for the State Tax Commission for contract costs to implement the proposal.

Oversight will use the TAX estimate of rolling stock tax credits allowable and the resulting reimbursement due to political subdivisions. The reimbursement for local revenue losses would be known in FY 2010, and appropriated and paid in FY 2011.

Officials from the **Office of the State Auditor** (SAO) assume this proposal would require additional staffing due to an anticipated increase in tax rate review workload. SAO submitted a cost estimate including 3.0 additional FTE and related equipment and expenditures totaling $144,851 for FY 2009, $157,504 for FY 2010, and $162,229 for FY 2011.

Oversight has, for fiscal note purposes only, changed the starting salary for the new positions to correspond to the second step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research. Oversight has also adjusted equipment and expenditures in accordance with OA budget guidelines.

ASSUMPTION (continued)

Officials from the **Office of the Secretary of State** (SOS) provided this response.

Many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than $2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what our office can sustain with our core budget. Therefore, we reserve the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Officials from the **Department of Revenue** (DOR) assume this proposal would have a fiscal impact to their organization.

Record sales fee limitation

This proposal allow require DOR to collect no more than $0.005 per motor vehicle title/registration record or driver license record for batch or bulk customer requests instead of the current per record fee of $7.00. The legislation does not define batch or bulk. The Department estimates selling approximately 1.7 million records each fiscal year, resulting in a minimum estimated annual revenue loss of $11,891,500.

Senior Tax Credit (Circuit Breaker) Program

Taxpayers who own and occupy their home for the entire year, who are filing combined would have a $4,000 exemption for the spouse's income; the maximum amount of property taxes paid when calculating the property tax credit would be $1,100; and the upper limit would be $30,000.

Homestead Preservation Credit

The base year would be 2006 or the first approved application, whichever is later; and the credit would be based on the increase over two years. Due to the increased income threshold, it is anticipated there would be an increase in the number of filers and an increase in correspondence and errors.

ASSUMPTION (continued)

Administrative Impact

DOR officials assume that the system changes related to the record sales fee limit could be absorbed with existing resources.

Two different Senior Tax Credit forms would be required to reduce confusion and the number of errors anticipated. Separate forms, with new instructions, would be required; one for renters and one for owners; and two different credit table charts would be required. System changes to Giddy-up and MINITS would be necessary.

DOR officials assume that increased thresholds for the Senior Property Tax Credit program would increase the total number of individuals eligible for credit. Also, the difference in total available credit for renters versus home owners would create additional customer contacts.

DOR assumes that one FTE Temporary Tax Employee would be required for every 10,705 additional returns filed and one FTE Revenue Processing Technician I would be required for every 5,000 errors. In addition, one FTE Tax Collection Technician I would be required for every additional 24,000 contacts annually on the "ITAX" hotline and one FTE Revenue Processing Technician I would be required for every additional 4,800 field contacts.

Forms and system changes will be required in the Homestead Preservation Credit program; and one FTE Revenue Processing Technician I would be required for every additional 5,000 errors.

DOR also provided this estimate of the IT cost to implement the proposal.

The Office of Administration, Information Technology Services Division, (ITSD/DOR) assumes the IT portion of this request could be accomplished with existing resources; however, if priorities shift, additional FTE or overtime would be needed to implement. ITSD/DOR estimates that this legislation could be implemented utilizing four existing CIT III for 3 months at a total cost of $50,232.

In summary, the DOR estimate included four additional FTE and related equipment and expenses, for a total of $153,261 for FY 2009, $184,710 for FY 2010, and $190,252 for FY 2011.

ASSUMPTION (continued)

Oversight has, for fiscal note purposes only, changed the starting salary for the additional positions to correspond to the second step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research. Oversight has also adjusted the DOR equipment and expense estimates in accordance with OA budget guidelines. Finally, Oversight assumes that a limited number of additional staff could be accommodated in existing office space.

Officials from **Linn State Technical College** assume this proposal would have no fiscal impact to their organization.

Officials from **Clinton County** assume this proposal would adversely affect local governments if less revenue was collected.

Officials from the **City of Centralia** assumed their organization would have nominal costs as a result of a previous version of this proposal.

Officials from the **Metropolitan Community Colleges** assumed a previous version of this proposal would cost their organization approximately $250,000 per year.

Officials from **Moberly Area Community College** assumed a previous version of this proposal would have no fiscal impact to their organization.

Officials from the **Parkway School District** assumed a previous version of this proposal would have a fiscal impact of $1,000 for their organization, to prepare property tax revenue estimates.

Officials from the **City of Columbia** stated they could not adequately assess the fiscal impact to their organization.

Officials from **Cooper County** assumed a previous version of this proposal would have startup costs in 2011 of $10,500 for computer programming, $5,075 for additional staff, and $350 for office supplies in the County Clerk's Office, and $25,000 for computer software and $45,000 for labor and supplies in the offices of the assessor and collector.

Officials from **Buchanan County** assumed that a previous version of this proposal would have costs no less than $50,000 per year for their organization.

ASSUMPTION (continued)

Officials from **Barry County** assumed a previous version of the proposal would require additional resources in the County Clerk's office including computer programming estimated at $12,500, additional staffing estimated at $4,660, office supplies estimated at $465, and additional software, labor, and supplies in other courthouse offices totaling $30,000 and $45,000, respectively.

Officials from **Carroll County** assumed that a previous version of the proposal would require moving the timetables from the current dates to a more accelerated schedule for the offices of the Assessor, County Clerk and Collector-Treasurer. That change would result in staffing, programming, and postage and supply costs that will exceed $50,000 for the three offices involved.

Officials from **St. Louis County** assumed that a previous version of the proposal would result in additional costs for form design, printing setup, folding, and insertion totaling $27,500 per year.

Additional costs in the Assessor's office would include outsourcing new construction identification, occupancy verification, commercial valuation modeling, and quality control field reviews. These outsourcing costs are estimated at $668,120 for2009 (FY 2010). Additional staff cost to perform the additional work in-house for the 2011 reassessment totaled $607,390.

Oversight assumes the additional cost of additional staff would be permanent and that the costs are stated on an annual basis.

Officials from **Linn County** assumed that a previous version of the proposal would result in additional costs to their organization as follows.

Programming: The Clerk's Office would need additional programming at an estimated cost of $10,000.

Additional Staffing: A part time person for at least for two months at minimum wage would cost around $2,600.

Additional Office Supplies: Postage, paper, envelopes and other related materials in calculation the non-binding tax levy with 37 political subdivisions would cost $350.

Other County Offices: The costs for software, labor and supplies for the Assessor and Collector would be approximately $40,000.

ASSUMPTION (continued)

Officials from **Atchison County** assumed that a previous version of the proposal would result in additional costs for their organization.

Additional Staffing

The requirements of the County Clerks office in this legislation will cover a two month time period. Eight weeks with one new office staff who shall make an abstract of the assessment book showing the aggregate amounts of different kinds of property, shall forward that information to the governing body of each political subdivision, will work in conjunction with each political subdivision to arrive at a "non-binding tax levy", shall forward each "non-binding tax levy" to the county collector. 1 staff x $5,075 ($3,975 salary + $1,100 benefits) = $5,075.

Overhead

Office supplies, postage, envelopes, and other related materials used in calculating the non-binding tax levy with 25 political subdivisions $250.

Other County Offices

The previous listed costs are only those that will occur in the County Clerk's office. Additional costs for offices of Assessor and Collector are Software estimated at $25,000 and Labor and supplies $45,000.

Oversight notes that the proposal would require the State Tax Commission to develop and provide the software to the counties for preparing the required tax estimates. Oversight assumes the local governments would have significant additional costs as a result of this proposal. Oversight notes that certain assessment procedure changes in this proposal would become effective on January 1, 2009 for charter counties and effective January 1, 2011 for the balance of the state. For the purposes of this fiscal note, Oversight will indicate additional costs statewide in excess of $1,810,485 to local governments beginning in 2009 (FY 2010) for the additional responsibilities and notices to taxpayers.

Oversight assumes the proposal would have no significant impact on local government revenues.

ASSUMPTION (continued)

County tax levy error provisions

These provisions would specify that a taxpayer could not be assessed a penalty or interest due to an error by the county. The taxpayer would file a claim and the collector would make the refund.

Oversight assumes that errors in tax billings would be relatively rare and that this provision would have no net fiscal impact to local governments.

Local tax procedures

These provisions would allow a local opt-out for certain assessment procedures, would require the St. Louis County Assessor to assess all real property on a uniform timetable and with uniform taxpayer rights and privileges, and would change certain deadlines for tax book preparation.

Oversight assumes that these provisions would have no significant fiscal impact.

Assessment Process for Possessory Interest in Airport Buildings

Officials from the **Office of Administration, Division of Budget and Planning**, the **Department of Elementary and Secondary Education**, the **Department of Revenue**, **Linn State Technical College**, the **Metropolitan Community Colleges**, **Clinton County**, the **City of Centralia**, and the **City of St. Louis** assumed that a similar proposal (HCS for HB 1836 LR 4519-02) would have no fiscal impact to their organizations.

Officials from the **State Tax Commission** (TAX) that a similar proposal (HCS for HB 1836 LR 4519-02) would have no fiscal impact on their organization. TAX officials stated that the proposal would void the current process used to appraise this type of property, and could reduce assessed valuations and tax revenues to local governments. TAX officials were not able to provide an estimate of the number or current assessed valuation of eligible properties.

ASSUMPTION (continued)

Oversight assumes that this proposal could apply to certain leased real property which is on or adjacent to a commercial airport and owned by a political subdivision. The proposal would specify a method for determining the assessed valuation for tax purposes of such properties. Oversight assumes the assessed valuation of such properties would be reduced if this proposal was implemented. The proposal would become effective after 2008 taxes are determined and would become effective for 2009 taxes in FY 2010. Accordingly, Oversight concludes that the fiscal impact to local governments and the Blind Pension Fund for years after FY 2009 is unknown.

School bond election ballot provisions

These provisions would mandate certain content in school bond election ballots.

Oversight assumes these provisions would have no significant fiscal impact.

Small School Grant Program

This proposal would specify that a school district with a levy lower than the performance levy due to a required reassessment program rollback would remain eligible for an allocation from the Small School Grant program.

Oversight notes that these provisions would not change the total amount of the Small School Grant Program appropriation and would therefore have no fiscal impact on the state; the provision could increase the allocation due to one or more school districts and reduce the allocation due to other districts.

Assessment Fund Withholding

These provisions would extend tax withholding for county assessment maintenance programs from December 31, 2009 to December 31, 2015 and would, as of July 1, 2009, increase the maximum withholding for first class counties, counties with a charter form of government, and any city not within a county from $100,000 to $125,000 per year. The maximum withholding for the second, third, and fourth class counties would be increased from $50,000 to $75,000.

Officials from the **State Tax Commission** assume these provisions would increase the current statewide amount withheld for assessment purposes from $3.9 million to $6.1 million due to the increase in maximum withholdings.

ASSUMPTION (continued)

Oversight notes that assessment program withholding would have expired on December 31, 2009 under existing statutory provisions.

For 2009 (FY 2010) Oversight assumes that substantially all 2009 (FY 2010) taxes would have been collected as of December 31, 2009, and that the existing withholding limits would have been applied and the withholding distributed to county assessment funds by June 30, 2010. This proposal would increase the withholding limits applicable to those 2009 tax collections. For purposes of this fiscal note, Oversight will indicate a fiscal impact of ($6.1 - $3.9) = $2.2 million.

For 2010 (FY 2011) Oversight assumes that there would have been no withholding under existing statutory provisions, that the new withholding limits would apply, and that the fiscal impact would be $6.1 million.

FISCAL IMPACT - State Government	FY 2009 (10 Mo.)	FY 2010	FY 2011
GENERAL REVENUE FUND			
Revenue reduction - Department of Revenue bulk sale fee limit	($9,900,000)	($11,900,000)	($11,900,000)
Revenue reduction - Senior Tax Credit Program changes	($5,900,000)	($5,900,000)	($5,900,000)
Cost - Railroad Rolling Stock Tax Credit reimbursements	$0	$0	($4,000,000)
Cost - Office of the State Auditor			
Personal Service - 3 FTE	($74,370)	($91,291)	($94,679)
Fringe Benefits	($32,886)	($40,648)	($41,867)
Expense and Equipment	($16,611)	($1,554)	($1,601)
Total	($123,867)	($133,493)	($138,147)
Cost - State Tax Commission			
Personal Service - 4 FTE	($157,160)	($165,649)	($170,616)
Fringe Benefits	($69,496)	($73,250)	($75,447)
Expense and Equipment	($31,635)	($26,792)	($27,596)
Contract cost for tax notification program	(More than $100,000)	(More than $100,000)	(More than $100,000)
Total	(More than $358,291)	(More than $365,691	(More than $373,659)
Cost - Department of Revenue			
Personal Service - 4 FTE	($73,400)	($90,722)	($93,444)
Temporary help	($6,695)	($8,275)	($8,523)
Fringe Benefits	($35,418)	($43,777)	($45,090)
Expense and Equipment	($22,193)	($2,072)	($2,135)
Total	($137,706)	($144,846)	($149,192)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	**(More than $16,419,864)**	**(More than $18,444,030)**	**(More than $22,460,998)**
Estimated Net FTE Effect on General Revenue Fund	11	11	11

FISCAL IMPACT - State Government	FY 2009 (10 Mo.)	FY 2010	FY 2011
BLIND PENSION FUND			
Revenue			
Reimbursement for railroad rolling stock credits	$0		$20,000
Revenue reduction			
Reduced tax collections from railroad rolling stock credit program	$0	($20,000)	($20,000)
Revenue reduction - property taxes			
Possessory interests	$0	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON BLIND PENSION FUND	**$0**	**(Unknown)**	**(Unknown)**

FISCAL IMPACT - Local Government	FY 2009 (10 Mo.)	FY 2010	FY 2011
LOCAL GOVERNMENTS			
Revenue reduction - local governments Possessory interest assessments	$0	(Unknown)	(Unknown)
Revenue reduction - local governments County assessment maintenance withholding	$0	($2,200,000)	($6,100,000)
Revenue increase - county assessment funds Maintenance program withholding	$0	$2,200,000	$6,100,000
Reimbursement - for railroad rolling stock credits	$0	$0	$4,000,000
Revenue reduction - tax credits Railroad rolling stock credits	$0	($4,000,000)	($4,000,000)
Increased cost - County Assessors, Clerks, and Collectors for tax notification program	$0	(More than $1,810,485)	(More than $1,810,485)
ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS	**$0**	**(More than $5,810,485)**	**(More than $1,810,485)**

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This proposal would change the Circuit Breaker program, would prescribe changes to the way local governments set their tax levies, and would create new notification procedures for county clerks and assessors.

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 Administration
    Division of Budget and Planning
Department of Elementary and Secondary Education
Department of Revenue
State Tax Commission
University of Missouri
    Economic Policy Analysis and Research Center
Linn State Technical College
Metropolitan Community Colleges
Moberly Area Community College
Atchison County
Barry County
Buchanan County
Carroll County
Clinton County
Cooper County
Linn County
St. Louis County
City of Centralia
Parkway School District

Mickey Wilson

Mickey Wilson, CPA

Director
May 30, 2008