

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0523-01
Bill No.: Perfected HB 149
Subject: Taxation and Revenue - Income; Military Affairs; Revenue Dept
Type: Original
Date: March 9, 2011

Bill Summary: Would extend the sunset date on the Missouri Military Family Relief Fund to December 31, 2017.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Missouri Military Family Relief	Less than \$100,000	Less than \$100,000	Less than \$100,000
Total Estimated Net Effect on Other State Funds	Less than \$100,000	Less than \$100,000	Less than \$100,000

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
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 2012	FY 2013	FY 2014
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue** and the **Missouri Veterans Commission** assume this proposal would have no fiscal impact on their organizations.

Officials from the **Missouri National Guard (MoNG)** provided a response which did not indicate any administrative impact to their organization.

MoNG officials stated that 33% of the donations for this program are from the tax check-off program. If this proposal is not adopted, it would have a significant impact on the financial assistance provided to military families, and could potentially result in a loss of revenue to the fund of approximately \$50,000.

Oversight assumes that MoNG could administer this program with existing resources, and notes that this proposal would extend a check-off authorization program under which Missouri individual and corporate income tax filers may designate a part of their income tax refund to be deposited to the Missouri Military Family Relief Fund. The refund designation does not change the amount of tax due, so there is no impact on income tax revenues to the state of Missouri.

The Missouri Military Family Relief Program is authorized under separate statutory provisions, and Oversight assumes the relief program would continue without the checkoff program. The relief program has received over \$365,000 in donations over the past four years in addition to \$208,000 from the checkoff program over the past five years.

Oversight assumes this proposed legislation would extend an existing provision by removing or changing the expiration date. Oversight also assumes removing or changing the expiration date would extend any fiscal impact associated with the existing provision. Therefore, Oversight will reflected an estimated impact of less than \$100,000 per year in the fiscal note.

The statutory check-off provision would sunset as of August 28, 2011 without this extension, and Oversight assumes that the check-off program would be available for 2010 income tax returns filed beginning January 2011 (FY 2011). Missouri income tax returns for 2011 would be filed beginning January 2012 (FY 2012) and the check-off program would not be available on those returns.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
MISSOURI MILITARY FAMILY RELIEF FUND			
<u>Additional revenue - income tax checkoff</u>	<u>Less than</u> <u>\$100,000</u>	<u>Less than</u> <u>\$100,000</u>	<u>Less than</u> <u>\$100,000</u>
ESTIMATED NET EFFECT ON MISSOURI MILITARY FAMILY RELIEF FUND	<u>Less than</u> <u>\$100,000</u>	<u>Less than</u> <u>\$100,000</u>	<u>Less than</u> <u>\$100,000</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

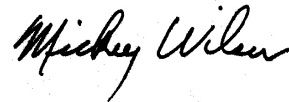
The proposed legislation would extend the sunset date on the Missouri Military Family Relief Fund to December 31, 2017.

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

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SOURCES OF INFORMATION

Department of Revenue
Missouri Veterans Commission
Missouri National Guard

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

Mickey Wilson, CPA
Director
March 9, 2011