

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0781-02
Bill No.: Perfected HCS for HB 161
Subject: Taxation and Revenue - General; Motels and Hotels; County Government
Type: Original
Date: April 20, 2011

Bill Summary: This proposal relates to county transient guest taxes for tourism purposes.

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
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

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 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Sections 67.1006 & 67.1008

Officials from the **Department of Revenue** assume that there is no fiscal impact from this proposal.

In responses to a prior version of this proposal (0781-01), officials from the **County of Pettis** assumed the proposal would have a positive financial impact to the county.

Oversight assumes this proposal changes the guest tax from \$2 per room per night to up to 5% that Pettis County could charge a guest of hotels and motels and other businesses that offer sleeping rooms. Oversight assumes the tax could not be implemented without voter approval. Therefore, Oversight assumes this proposal to be permissive and would have no state or local fiscal impact.

Oversight assumes this proposal increases from five to seven members on the Pettis County Tourism Commission and changes the way appointments are made to the commission. Oversight assumes this proposal adds no new expenditure of funds, or adds no new duties, and would have no local fiscal impact.

Section 67.1003 - House Amendment 1

In response to a similar proposal from this session (HB 400, 1271-01), officials from the **City of Kansas City, St. Louis County, Department of Revenue** and the **City of Raytown** assumed that there is no fiscal impact from this proposal.

Oversight assumes there would be some cities and counties that are currently collecting this tax that would be prohibited from collecting a transient guest tax under this proposal; therefore, Oversight assumes a \$0 to unknown costs to local governments.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
LOCAL GOVERNMENT FUNDS			
<u>Loss - transient guest tax (\$67.1003)</u>	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL GOVERNMENT FUNDS	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</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

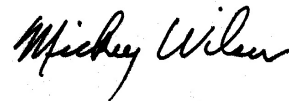
Section 67.1003

This proposal prohibits certain cities and counties from imposing a transient guest tax.

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
County of Pettis
City of Raytown
St. Louis County
City of Kansas City



Mickey Wilson, CPA
Director

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