

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0730-04
Bill No.: HCS for HB 175
Subject: Taxation and Revenue - Property; County Officials
Type: Original
Date: March 6, 2013

Bill Summary: This proposal modifies provisions of law relating to collection of special assessments and delinquent property taxes.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
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 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
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 2014	FY 2015	FY 2016
Local Government	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)

FISCAL ANALYSIS

ASSUMPTION

§§ 67.457, 67.463, 67.469, 67.1521, 139.160, 139.170, 140.050, 140.115, 140.150, 140.160, 140.230, 140.290, 140.300, 140.405, 140.460, 140.470, 140.665, and 140.730 - Collection of Delinquent Property Taxes and Special Assessments

Officials from the **Boone County Collector** assume the changes in this proposal will reduce revenue to county general revenue and some programming costs will occur to remove the fees from our collection and distribution software. Those amounts are unknown but assumed to be negligible.

In response to similar legislation from 2013 (SB 83), officials at the **St. Louis County Collector** assume the removal of the purchase certificate fee, based on 2012 sale figures, would result in a minimal loss in revenue to the county.

Oversight assumes a minimal impact less than \$100,000 to local county government funds from the elimination of a fee for certain tax deeds.

Officials at the **Office of Administration - Division of Budget and Planning (BAP)** assume this proposal changes procedures for local government officials and laws regarding property tax collections. This will have no impact on general and total state revenues. However, changes to the fee schedules for county collectors could impact the calculation in Article X, Section 18(e) on the Missouri Constitution.

BAP assumes this proposal should not result in additional costs or savings to BAP.

Officials from the **Department of Revenue, State Treasurer's Office, Department of Insurance, Financial Institutions and Professional Registration, Department of Transportation, Department of Natural Resources**, and the **City of Columbia** each assume the proposal would not fiscally impact their respective agencies.

In response to the previous version of this proposal, officials from the **Office of Secretary of State** and **Missouri Tax Commission** each assumed the proposal would not fiscally impact their respective agencies.

ASSUMPTION (continued)

In response to similar legislation from 2013 (SB 138), officials from the **Office of the Attorney General** assumed the proposal would not fiscally impact their agency.

Officials from numerous counties did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2014 (10 Mo.)	 FY 2015	 FY 2016
LOCAL FUNDS			
<u>Loss - Counties \$140,290</u> Elimination of Tax Deed Fees	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)
ESTIMATED NET EFFECT ON LOCAL FUNDS	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

§140.290 - Elimination of Tax Deed Fees:

This proposal eliminates specific language authorizing fees of twenty-five and fifty cents that the county collector is authorized to collect when recording a certificate of purchase of land sold at a tax sale. The collector will continue to be authorized to receive the fee necessary to record the certificate of purchase. The proposal eliminates language authorizing a one dollar and fifty cent fee for certain tax deeds.

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
Missouri Tax Commission
Office of Administration -
 Division of Budget and Planning
Office of Secretary of State
Department of Insurance, Financial Institutions and Professional Registration
Office of the Attorney General
State Treasurer's Office
Department of Natural Resources
Department of Transportation
St. Louis County Collector

Not Responding:

Numerous Counties



Ross Strope
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