

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5109-01  
Bill No.: SB 768  
Subject: Taxation and Revenue - Sales and Use; Libraries and Archives; Counties  
Type: Original  
Date: March 10, 2014

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Bill Summary: This proposal would authorize any public library district in Saline County to levy a sales tax.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

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).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of the Secretary of State (SOS)** assume this proposal would allow public libraries in Saline County to put before the voters a maximum one half cent sales tax to support library services. SOS officials did not indicate any fiscal impact to their organization.

Officials from the **Department of Revenue (DOR)** did not provide an estimate of administrative cost for this proposal, but provided an estimated IT cost of \$1,092 for 40 hours of programming to make changes to DOR systems.

**Oversight** assumes any administrative cost to the SOS or to DOR would be minimal and could be absorbed with existing resources. If unanticipated costs are incurred or if multiple proposals are implemented which increase costs to these organizations, resources could be requested through the budget process.

**Oversight** assumes OA - ITSD (DOR) is provided with core funding to handle a certain amount of activity each year. Oversight assumes OA - ITSD (DOR) could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, OA - ITSD (DOR) could request funding through the appropriation process.

Officials from the **Office of Administration - Division of Budget and Planning (BAP)** assume this proposal would not result in any additional costs or savings to their organization.

BAP officials noted this proposal would allow Saline County, upon voter approval, to levy a sales tax of up to 0.5% for a public library district. BAP officials stated that Department of Revenue reports indicated taxable sales in Saline County in 2012 were \$194.6 million. Therefore, if the entire county was part of the proposed library district, this proposal might generate just under \$1 million in local revenues.

Officials from the **Marshall Public Library** assume this proposal would have no fiscal impact to their organization.

Officials from **Saline County** did not respond to our request for information.

ASSUMPTION (continued)

**Oversight** assumes this proposal would authorize a library district in Saline County to request voter approval for a sales tax. Although there would be election costs for submitting the tax levy to the voters, those costs would result from the library district decision to seek voter approval for a sales tax. Further, any sales tax revenue would be the result of local government actions and voter approval. For fiscal note purposes, this proposal would have no fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal could have a fiscal impact to a small business which makes purchases that are subject to sales tax if the sales tax levy is implemented.

FISCAL DESCRIPTION

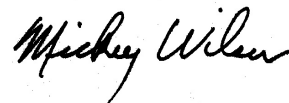
This proposal would authorize any public library district located in Saline County to submit for voter approval a sales tax not to exceed one-half of one cent.

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 Secretary of State  
Office of Administration  
    Division of Budget and Planning  
Department of Revenue  
Marshall Public Library

**Not responding:**  
Saline County



Mickey Wilson, CPA  
Director  
March 10, 2014

Ross Strobe  
Assistant Director  
March 10, 2014