

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2009-02
Bill No.: HCS for SB 405
Subject: Counties; County Government
Type: Original
Date: May 8, 2015

Bill Summary: This proposal modifies provisions relating to the collection of public funds.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown

FISCAL ANALYSIS

ASSUMPTION

§52.260

In response to a previous version, officials at the **Department of Revenue** and the **State Tax Commission** each assumed no fiscal impact to their respective agencies from this proposal.

Officials at the **Platte County Board of Election Commission** and **St. Louis County** each assume no fiscal impact to their respective entities from this proposal.

In response to a previous version, officials at the **Callaway County Commission** assumed no fiscal impact from this proposal.

Oversight assumes that although the taxes collected won't change, some county collectors will retain more fees and other county funds will receive less under the terms of this proposal. Therefore, Oversight will show an increase in fees retained by county collectors and a reduction in taxes distributed to the other county funds, netting to \$0 from this proposal.

§65.620

In response to similar legislation this year, HCS for SCS for SB 245, officials at the **Office of the State Auditor** and the **State Tax Commission** each assumed no fiscal impact to their respective agencies from this proposal.

Officials at the **Platte County Board of Election Commission** and **St. Louis County** each assume no fiscal impact to their respective entities from this proposal.

Under current law, once a township is abolished, property taxes are not collected for the abolished township. Under this proposal, property taxes would continue to be collected for a period of one calendar year following the abolishment of the township or until the voters of the county have approved a tax levy for road and bridge purposes, whichever occurs first. Therefore, **Oversight** will reflect a \$0 to unknown impact to counties in the fiscal note.

ASSUMPTION (continued)

§221.407

In response to similar legislation this year, HCS for SCS for SB 245, officials at the **Department of Revenue**, the **Office of the Secretary of State**, the **State Tax Commission**, the **Office of the State Auditor**, the **Office of Administration's Division of Budget and Planning** and the **Office of the State Treasurer** each assumed no fiscal impact to their respective agencies from this proposal.

Oversight assumes regional jail districts may submit sales tax ballots from September 30, 2015 to September 30, 2027. Oversight assumes this to be permissive and will show this as a no fiscal impact to the proposal.

Bill as a whole

Officials at the **Office of the State Courts Administrator** assume no fiscal impact from this proposal.

Officials at the following counties: Andrew, Atchison, Audrain, Barry, Bollinger, Boone, Buchanan, Camden, Cape Girardeau, Cass, Clay, Cole, Cooper, Dent, Franklin, Greene, Holt, Jackson, Jefferson, Johnson, Knox, Laclede, Lawrence, Lincoln, Marion, McDonald, Miller, Moniteau, Monroe, Montgomery, New Madrid, Ozark, Perry, Pettis, Phelps, Pulaski, Scott, Shelby, St. Charles, St. Francois, Taney, Warren, Wayne and Worth did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
LOCAL POLITICAL SUBDIVISIONS			
<u>Savings</u> - County Collectors - increase in fees retained (\$52.260)	Unknown	Unknown	Unknown
<u>Loss</u> - Reduction in taxes distributed to Local Political Subdivisions within that county (\$52.260)	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<u>Income</u> - Counties - in revenue from property taxes from abolished townships (\$65.620)	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

§52.260

Under current law, county collectors must collect a specified amount of fees for collecting local taxes. In counties where the total amount levied in a year is between \$350,000 and \$2 million, the fee is 2.5 percent on the first \$350,000 collected and 1 percent on the rest. In counties where the total amount levied exceeds \$2 million, the fee is 1 percent on all amounts collected. This act raises the outer threshold amount for a county to be eligible to collect the 2.5 percent on the first \$350,000 to \$3 million.

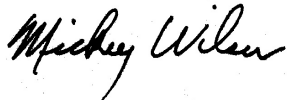
§65.620

This bill also allows counties in which townships have been abolished to continue to collect a property tax on a county-wide basis for road and bridge purposes for either one year following the abolishment of the townships or until the county voters have approved a property tax for such purposes, whichever occurs first. The property tax must be the same amount as the property tax being levied in the township with the lowest rate immediately before the townships were abolished. This act specifies that the collection of the property tax is to be considered a continuation of a tax and not a new 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
State Tax Commission
Platte County Board of Election Commission
St. Louis County
Callaway County Commission
Office of the State Auditor
Office of the Secretary of State
Office of Administration
 Budget and Planning
Office of the State Treasurer
Office of the State Courts Administrator



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May 8, 2015

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May 8, 2015