

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2414-01
Bill No.: SB 554
Subject: Mining; Oil and Gas Production; Taxation and Revenue - Property
Type: Original
Date: April 1, 2015

Bill Summary: This proposal specifies that quarries and mining equipment will be assessed based on the previous year's production.

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
Blind Pension Fund	(Unknown, less than \$100,000)	(Unknown, less than \$100,000)	(Unknown, less than \$100,000)
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown, less than \$100,000)	(Unknown, less than \$100,000)	(Unknown, less than \$100,000)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 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	(Unknown)	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Officials from the **Department of Revenue** assume the current proposal would not fiscally impact their agency.

Officials from the **County of Cole** state that this proposal could result in a decrease in revenue. The amount, however, cannot be accurately determined at this time.

Oversight assumes a loss of revenue to local political subdivisions and the Blind Pension Fund.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
BLIND PENSION FUND			
<u>Loss - Decrease in Property Tax Receipts</u>	<u>(Unknown, less than \$100,000)</u>	<u>(Unknown, less than \$100,000)</u>	<u>(Unknown, less than \$100,000)</u>
ESTIMATED NET EFFECT ON BLIND PENSION FUND	<u>(Unknown, less than \$100,000)</u>	<u>(Unknown, less than \$100,000)</u>	<u>(Unknown, less than \$100,000)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
LOCAL POLITICAL SUBDIVISIONS			
<u>Loss - Decrease in Property Tax Receipts</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT - Small Business

Quarry and Mining operations may be fiscally impacted by this proposal.

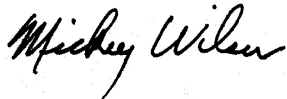
FISCAL DESCRIPTION

This proposal specifies that quarries and mining property shall be assessed for property tax purposes based on the previous year's production.

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 Cole



Mickey Wilson, CPA
Director
April 1, 2015

Ross Strobe
Assistant Director
April 1, 2015