

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4580-01
Bill No.: SB 622
Subject: County Officials; Mining and Oil and Gas Production; Natural Resources Department; Property and Personal; State Tax Commission; Taxation and Revenue - Property
Type: Original
Date: February 10, 2016

Bill Summary: Modifies provisions relating to mining property.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|--|------------|------------|------------|
| FUND AFFECTED | FY 2017 | FY 2018 | FY 2019 |
| | | | |
| Total Estimated Net Effect on General Revenue | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2017 | FY 2018 | FY 2019 |
| | | | |
| Total Estimated Net Effect on <u>Other</u> State Funds | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2017 | FY 2018 | FY 2019 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2017 | FY 2018 | FY 2019 |
| | | | |
| | | | |
| 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 2017 | FY 2018 | FY 2019 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Officials from the **State Tax Commissions (TAX)** assume no impact to their agency. TAX assumes there may be a small impact to a few taxing jurisdictions and note some assessors already assess in the manner the proposal provides.

Officials from the **Department of Revenue, the Department of Natural Resources, and St. Louis County** assume this proposal will have no impact on their organizations.

Officials from **Kansas City** assume there could be a reduction in local revenue if property is moved to the lowest assessment category, but it is unknown whether any property located within the geographical boundaries of Kansas City would qualify for the reclassification.

Oversight is unable to determine how many mining properties would be reclassified and assessed as agricultural and horticultural property. Oversight assumes only local revenues at an immaterial amount would be affected by this proposal and will show no financial impact.

| <u>FISCAL IMPACT - State Government</u> | FY 2017 (10 Mo.) | FY 2018 | FY 2019 |
|---|---------------------|------------|------------|
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

| <u>FISCAL IMPACT - Local Government</u> | FY 2017 (10 Mo.) | FY 2018 | FY 2019 |
|---|---------------------|------------|------------|
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

FISCAL IMPACT - Small Business

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

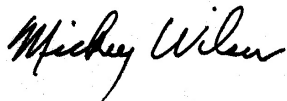
FISCAL DESCRIPTION

The proposal provides that any real property that is available for mining but has not been bonded or permitted for such mining activity shall be assessed as agricultural and horticultural property.

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

State Tax Commission
Department of Revenue
Department of Natural Resources
St. Louis County
Kansas City



Mickey Wilson, CPA
Director
February 10, 2016

Ross Strobe
Assistant Director
February 10, 2016