

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0309-01  
Bill No.: Perfected SB 87  
Subject: Taxation and Revenue - Income  
Type: Original  
Date: March 28, 2019

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Bill Summary: This bill re-authorizes a tax refund donation check-off for pediatric cancer research.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
<b>Pediatric Cancer Research Trust Fund*</b>	\$0*	\$0*	\$0*
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\* Taxpayer checkoff money is forwarded to CureSearch for Children’s Cancer Organization which nets the fund to zero.

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 2020</b>	<b>FY 2021</b>	<b>FY 2022</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 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Office of Administration Division of Budget and Planning (B&P)** assume this proposal will not impact Total State Revenue or the calculation under Article X, Section 18(e).

This proposal in §143.1026.3 would move the Pediatric Cancer Research Trust Fund into the state treasury. B&P notes that monies received from check-off funds are already counted as Total State Revenue, therefore moving the funds into the state treasury will not further impact the Total State Revenue calculation. B&P also notes that because monies received from check-off funds are considered donations, moving the funds into the state treasury will not impact the calculation under Article X, Section 18(e).

This proposal would extend the pediatric cancer refund check-off from December 31, 2019 to December 31, 2024. The following table lists the total check-off refund amounts that have been designated to the Pediatric Cancer Research Trust Fund over the past five fiscal years.

Table 1: Pediatric Cancer Research Trust Fund Checkoff

<b>Fiscal Year</b>	<b>Total Donations from Checkoff</b>
2014	\$1,792
2015	\$2,711
2016	\$4,206
2017	\$2,929
2018	\$3,221
<b>Total</b>	<b>\$14,859</b>

Source: SAM II

Officials at the **Department of Revenue (DOR)** and the **Office of the State Treasurer** each assume there is no fiscal impact to their organizations from this proposal.

**Oversight** notes that the Department of Revenue and the Office of the State Treasurer have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will not reflect an impact to these agencies.

ASSUMPTION (continued)

**Oversight** notes Senate Amendment 1 states that all money received from taxpayers through the checkoff program is deposited into the Pediatric Cancer Research Trust Fund is considered state money, but shall not be included in the calculation of total state revenue. Annually, the money is then forwarded to the CureSearch for Children’s Cancer program as required by statute. Continuation of the program would allow \$2,000 to \$4,000 annually to be transferred to the CureSearch organization. Oversight will reflect the annual average of \$3,300 per year in donations being continued with this extension.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
<b>PEDIATRIC CANCER RESEARCH TRUST FUND</b>			
<u>Additional Revenue - DOR- extension of the sunset §143.1026.5</u>	\$3,300	\$3,300	\$3,300
<u>Transfer Out - DOR- to CureSearch for Children’s Cancer §143.1026.3</u>	<u>(\$3,300)</u>	<u>(\$3,300)</u>	<u>(\$3,300)</u>
<b>ESTIMATED NET EFFECT ON THE PEDIATRIC CANCER RESEARCH TRUST FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

Current law provides for an option for taxpayers to donate a portion of his or her income tax refund to the Pediatric Cancer Research Trust Fund. Such tax income donation option shall sunset on December 31, 2019. This act re-authorizes the program until December 31, 2024.

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  
Office of Administration  
Division of Budget and Planning  
Office of the State Treasurer



Kyle Rieman  
Director  
March 28, 2019

Ross Strobe  
Assistant Director  
March 28, 2019