

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3183-01
Bill No.: Perfected SB 676
Subject: Taxation and Revenue - Property; County Officials; Counties
Type: Original
Date: March 10, 2020

Bill Summary: The proposal modifies several deadlines relating to the assessment and appeals of assessments for property taxes.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
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 2021	FY 2022	FY 2023
Local Government	(Unknown)	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **State Tax Commission** assume the proposal changes several deadlines and will have no fiscal impact on their organization.

Officials from the **Lawrence County Assessor's Office** state there needs to be more time for the taxpayer to be able to contact their assessor for an informal hearing. The proposal will have no fiscal impact on their organization.

Officials from the **Wright County Assessor's Office** assume the time frame for all the changes will be hard for some counties to meet due to limited staffing, due to limited money to hire adequate amount of staff.

Officials from the **Perry County Assessor's Office** assume revenue could decrease if time is limited to complete assessments due to being understaffed. Losses could range from \$5,000 to \$50,000. Additional staff may cost between \$2,000 and \$5,000 to complete assessments at an earlier date.

Oversight assumes this proposal moves up the deadline for when a county assessor must notify property owners of a change in their assessed valuation and changes the deadline for when homeowners can file an appeal. Oversight notes some county assessors indicated there could be costs for additional staff to meet the new deadlines. Due to the limited number of responses, Oversight will show an unknown cost to local county assessors.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other local county assessors were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT - State Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
LOCAL COUNTY ASSESSORS			
<u>Cost</u> - additional staff costs to adhere to the new deadlines	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL COUNTY ASSESSORS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

For property tax assessments and appeals of such assessments, current law provides that, in first class counties, assessors shall notify property owners of an increase in the property owner's assessed valuation by June 15, taxpayers shall appeal to the county board of equalization by the third Monday in June, and the county board of equalization shall meet on the first Monday in July. For all other counties, assessors shall notify property owners of an increase in the property owner's assessed valuation by June 15, taxpayers shall appeal to the county board of equalization by the second Monday in July, and the county board of equalization shall meet on the third Monday in July.

This act modifies such deadlines to provided that, for all counties, assessors shall notify property owners of an increase in the property owner's assessed valuation by June 1, taxpayers shall appeal to the county board of equalization by the first Monday in July, and the county board of equalization shall meet on the third Monday in July.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

State Tax Commission
Lawrence County Assessor's Office
Wright County Assessor's Office
Perry County Assessor's Office



Julie Morff
Director
March 10, 2020



Ross Strope
Assistant Director
March 10, 2020