

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1916S.01I  
 Bill No.: SB 514  
 Subject: Boards, Commissions, Committees, and Councils; Taxation and Revenue -  
 General; Taxation and Revenue - Property; County Officials  
 Type: Original  
 Date: March 27, 2023

Bill Summary: This proposal modifies provisions relating to taxation.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
General Revenue	\$99,900	\$99,900	\$99,900
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$99,900</b>	<b>\$99,900</b>	<b>\$99,900</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</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 2024</b>	<b>FY 2025</b>	<b>FY 2026</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 \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>
<b>Local Government</b>	<b>(\$99,900) to (Unknown)</b>	<b>(\$99,900) to (Unknown)</b>	<b>(\$99,900) to (Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### **Section 53.084 County Assessor Expenses**

In response to a similar proposal, HB 134 (2023), officials from the **Gasconade County Assessor** noted removing state reimbursement for schooling will likely decrease the amount of schooling the assessors will attend. If the state requires assessors to receive a specific amount of training per the State Tax Commission, then the state needs to continue the reimbursement to the assessors they mandate must attend.

**Oversight** notes this provision requires the compensation for expenses incurred by county assessors attending courses of study paid to an assessor to be paid out of the assessment fund.

**Oversight** notes per the [Office of Administration's FY2023 Budget Request report](#), the State Tax Commission estimated the costs for assessors to attend the approved courses of study at \$99,900 for FY 2023 (111 county assessors are eligible for quarterly payments of \$225).

For the purpose of this fiscal note, **Oversight** will show an unknown savings to General Revenue of \$99,900 and a corresponding cost to county assessors beginning in FY 2024.

#### **Section 137.180 Electronic Notification of Assessment and Liability**

**Oversight** notes this provision allows the assessor to provide an electronic notification of an assessment and tax liability information at the owner's request.

**Oversight** assumes this provision could result in savings of mail expenses for county assessors, however, some counties may have software and programming costs to administer changes from this provision, therefore, Oversight will show a potential unknown savings and a potential unknown cost to counties beginning in FY 2024.

In response to a similar proposal, HB 134 (2023), officials from the **St Genevieve County Assessor's Office** note that requiring an estimated tax bill for real estate value increases would be an unfunded mandate. The county notes their CAMA system does not have the capability of creating such a document. The current software calculates value only, and would require extensive programming if such a requirement is placed on the Assessor.

#### **Responses regarding the proposed legislation as a whole**

Officials from the **State Tax Commission (STC)** assume no fiscal impact from the proposal. STC stated the State Ombudsman position (repealed in <§138.435>) has never been appropriated or filled so there is no impact.

Officials from the **Office of Administration - Budget and Planning, Department of Revenue, Office of the State Auditor,** and the **Office of Administration** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Officials from the **Lincoln County Assessor** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary.

Officials from the **Mississippi County Recorder** assume the proposal would have a fiscal impact but did not provide any additional information.

**Oversight** received a limited number of responses from county assessors related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

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

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
<b>GENERAL REVENUE</b>			
<u>Savings</u> - \$53.260 – Expense for assessors’ courses of study transferred to counties	<u>\$99,900</u>	<u>\$99,900</u>	<u>\$99,900</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>\$99,900</u></b>	<b><u>\$99,900</u></b>	<b><u>\$99,900</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Costs</u> - §53.260 – Counties – Expenses for assessors’ courses of study	(\$99,900)	(\$99,900)	(\$99,900)
<u>Savings</u> - §137.180 – Mailing expenses no longer needed due to electronic notification of assessment/liability	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Costs</u> - Counties – Software and programming costs	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<b><u>(\$99,900) to (Unknown)</u></b>	<b><u>(\$99,900) to (Unknown)</u></b>	<b><u>(\$99,900) to (Unknown)</u></b>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This bill modifies provisions relating to the state tax commission, assessors, and tax assessment procedures.

In its main provisions the bill:

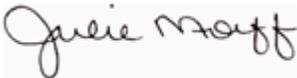
- 1) Requires the compensation paid to an assessor to be paid out of the assessment fund;
- 2) Allows the assessor to provide an electronic notification of an assessment and tax liability information at the owner's request;
- 3) Allows the use of Satellite imagery and geographic information system (GIS) to replace the plat books if all required information is included in the system.
- 4) Allows specified reports to be posted on the Tax Commission's Webpage
- 5) Allows the assessor to purchase computer programs to replace printed supplies such as assessment books and assessment rolls using specified technology; and
- 6) Removes the charge of a misdemeanor for the County Clerk not forwarding the abstract to the state Tax Commission. The report is still due to the Tax Commission by July 20th.

This bill repeals the following sections: 137.037; 137.112; 137.113; 137.114; 137.190; 137.240; 137.320; 137.380; 137.480; 138.435; and 138.480. Included in these repealed sections is the statute creating the Office of State Ombudsman for Property Assessment and Taxation.

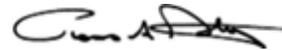
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration - Budget and Planning  
Department of Revenue  
Office of Administration  
State Tax Commission  
Office of the State Auditor  
Jackson County Commissioner  
Gasconade County Assessor  
St Genevieve County Assessor  
Lincoln County Assessor  
Mississippi County Recorder



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March 27, 2023



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March 27, 2023