

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 4459-01  
BILL NO.: SB 1007  
SUBJECT: Cities, Towns and Villages; Tax and Revenue-General-Sales and Use-  
 Transportation  
TYPE: Original  
DATE: March 6, 2000

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	\$0	\$654,480	\$1,308,960
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$654,480</b>	<b>\$1,308,960</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<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 LOCAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Local Government</b>	<b>\$0</b>	<b>\$64,800,000</b>	<b>\$129,600,000</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 3 pages.

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials of the **Department of Revenue (DOR)** state this legislation removes the sunset provision of the transportation sales taxes in Kansas City and St. Louis. The DOR assumes this proposal would have no fiscal or administrative impact on their agency.

Officials from the **Department of Transportation (DHT)** state this proposal would not fiscally impact their agency.

Officials of the **Bi-State Development Agency** state that this proposal would remove the expiration date of the Transportation Sales Tax under Chapter 94 RSMo. Bi-State staff stated in a similar proposal that for fiscal year ending 1998 collections of the Transportation Sales Tax for the City of St. Louis and St. Louis County were \$129.6 million. The Bi-State staff states that this legislation deals only with the transportation sales tax for St. Louis City and St. Louis County, and that Kansas City's transportation sales tax is not effected by the proposed legislation.

Officials from the **City of Kansas City Area Transportation Authority** stated that this proposal would not fiscally impact Kansas City because the transportation tax in Kansas City was not approved by a vote of the people, but rather by the city council. Kansas City's transportation sales tax must be reapproved by the Missouri Legislature every two years.

**Oversight** assumes this proposal would not impact Kansas City's transportation sales tax

**This proposal would result in an increase in Total State Revenues since Collection Fees are included in the General Revenue Fund and general revenues are included in the calculation of Total State Revenue.**

<u>FISCAL IMPACT - State Government</u>	FY 2001	FY 2002	FY 2003
<u>Income to General Revenue Fund</u>			
1% Collection Fee	\$0	\$654,480	\$1,308,960
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>\$0</u></b>	<b><u>\$654,480</u></b>	<b><u>\$1,308,960</u></b>

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<u>FISCAL IMPACT - Local Government</u>	FY 2001	FY 2002	FY 2003
<u>Income to Political Subdivisions</u>			
Transportation Sales Tax	\$0	\$64,800,000	\$129,600,000
<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>	<b><u>\$0</u></b>	<b><u>\$64,800,000</u></b>	<b><u>\$129,600,000</u></b>

FISCAL IMPACT - Small Business

Small businesses would be expected to be fiscally impacted to the extent that they pay local sales tax on taxable items. The removal of the expiration date of the Transportation Sales Tax would cause small businesses to continue to pay the local rate for such taxable items.

DESCRIPTION

This act removes the sunset clause on the transportation sales tax in St. Louis City and the County of St. Louis.

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  
Bi-State Development Agency  
Department of Transportation  
Kansas City Area Transportation Authority



Jeanne Jarrett, CPA  
Director  
March 6, 2000