

COMMITTEE ON LEGISLATIVE RESEARCH  
 OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0547-01  
Bill No.: Perfected SB 76  
Subject: Transportation; Taxation and Revenue-Sales and Use; Kansas City  
Type: Original  
Date: March 14, 2001

FISCAL SUMMARY

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	\$138,370	\$278,760	\$140,895
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$138,370</b>	<b>\$278,760</b>	<b>\$140,895</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<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 2002	FY 2003	FY 2004
<b>Local Government</b>	<b>\$13,698,630</b>	<b>\$27,597,240</b>	<b>\$13,948,605</b>

Numbers within parentheses: ( ) indicate costs or losses.  
 This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

In response to similar legislation officials of the **Department of Revenue (DOR)** state this proposal would not fiscally impact their agency.

Officials of the **Kansas City Area Transportation Authority** state the extension of the Kansas City Transportation Sales Tax, based on current collections, would generate approximately \$27.4 million in revenues for FY2002, \$27.6 million for FY2003 and \$27.9 million for FY2004. This estimate assumes a 1% growth rate.

**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 2002 (6 Mo.)	FY 2003	FY 2004 (6 Mo.)
<u>Income</u> to General Revenue Fund			
1% Collection Fee	\$138,370	\$278,760	\$140,895

<b>ESTIMATED NET EFFECT TO GENERAL REVENUE FUND</b>	<b><u>\$138,370</u></b>	<b><u>\$278,760</u></b>	<b><u>\$140,895</u></b>
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<u>FISCAL IMPACT - Local Government</u>	FY 2002 (6 Mo.)	FY 2003	FY 2004 (6 Mo.)
<u>Income</u> to Kansas City Area Transportation Authority 1/2% Sales Tax	\$13,698,630	\$27,597,240	\$13,948,605

<b>ESTIMATED NET EFFECT TO LOCAL GOVERNMENT</b>	<b><u>\$13,698,630</u></b>	<b><u>\$27,597,240</u></b>	<b><u>\$13,948,605</u></b>
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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 extension of the Kansas City transportation sales tax would cause small businesses to continue to pay the local rate for such taxable items.

DESCRIPTION

This act extends the portion of public mass transportation sales tax exceeding 7 ½ percent from

December 31, 2001 to December 31, 2003.

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  
Kansas City Area Transportation Authority



Jeanne Jarrett, CPA  
Director

March 14, 2001