

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 994-01  
Bill No.: SB - 249  
Subject: Sports and Amusement: Sales Tax  
Type: Original  
Date: January 26, 2001

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	(\$2,110,659)	(\$2,608,775)	(\$2,687,038)
School District Trust	(\$703,553)	(\$869,592)	(\$895,680)
<b>Total Estimated Net Effect on <u>All</u> State Funds *</b>	<b>(\$2,814,212)</b>	<b>(\$3,478,367)</b>	<b>(\$3,582,718)</b>

**\* Subject to Appropriation**

<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>\$2,814,212</b>	<b>\$3,478,367</b>	<b>\$3,582,718</b>

**\* Subject to Appropriation**

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

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**FISCAL ANALYSIS**

ASSUMPTION

Officials of the **Department of Revenue** assume there would be no administrative impact.

Officials of the **Office of Administration** stated they have reviewed the information submitted by the Jackson County Sports Complex Authority and believe their estimates of sales tax collected are reasonable.

Officials of the **Jackson County Sports Complex Authority** made sales tax estimates based on Missouri state sales tax generated at the Harry S. Truman Sports Complex for the year 1999. Officials stated that in 1999 the amount of sales tax collected was \$3,305,545. Based on that figure officials estimate the sales tax collections for:

2002	\$3,603,044
2003	\$3,711,135
2004	\$3,822,469

A 3% inflation factor was applied.

**Oversight** assumes these estimates were based on the state tax rate of 4.225% Oversight assumes that the state's portion would be 4% rather than 4.225% and calculated the revenue loss to the General Revenue Fund based on that assumption. Oversight assumed a 3% annual growth rate for inflation.

Oversight for the purposes of this fiscal note assumes this proposal would be effective September 1, of fiscal year 2002, and is subject to appropriation. Oversight assumes that for 10 months of FY 2002 the loss of revenue to the State's General Revenue Fund would be \$2,110,659 and the loss to the School District Trust Fund is estimated at \$703,553. Loss of revenue in FY 2003 is estimated at \$2,608,775 for the State's General Revenue Fund and \$869,592 for the School District Trust Fund. Loss of revenue to the GR Fund in FY 2004 is estimated to be \$2,687,038 and \$895,680 to the School District Trust Fund. Estimates are made based on the assumption that the state's portion would be 4%, ( 3% state and 1% school trust).

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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**GENERAL REVENUE FUND**

<u>Loss</u> to General Revenue Fund from (Section 67.642 )*	(\$2,110,659)	(\$2,608,775)	(\$2,687,038)
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**SCHOOL DISTRICT TRUST FUND**

<u>Loss</u> to School District Trust Fund from ( Section 67.642)*	(\$703,553)	(\$869,592)	(\$895,680)
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**\* Subject to Appropriation**

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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**JACKSON COUNTY SPORTS  
COMPLEX AUTHORITY**

<u>Income</u> to Jackson County Sports Complex Authority*	\$2,814,212	\$3,478,367	\$3,582,718
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**\* Subject to Appropriation**

FISCAL IMPACT - Small Business

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

DESCRIPTION

This bill requires all state sales tax revenues collected within certain sports complexes located in Jackson County to be placed in the Convention and Sports Complex Fund. Moneys would be appropriated solely for the purpose of maintenance and refurbishment of the complex.

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  
Jackson County Sports Complex Authority



Jeanne Jarrett, CPA  
Director  
January 26, 2001