

COMMITTEE ON LEGISLATIVE RESEARCH
 OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1303-05
Bill No.: Perfected SS for SCS for SB's 347 and 487
Subject: Taxation and Revenue - Property: Property, Real and Personal
Type: Original
Date: April 11, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	(Unknown)	(Unknown)	(Unknown)

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

FISCAL ANALYSIS

ASSUMPTION

Officials of the **State Tax Commission** stated the proposal would not affect any source of state funds or have any administrative effects on their agency.

They did note that the proposal would shift about \$11,000,000, statewide, into technology funds from other local government funds. Beginning in FY 2006 the amount shifted would be about 25% of the amounts transferred during FY 2003 through FY 2005. The amount of payments in lieu of taxes made by counties to political subdivisions within counties would not be known until after assessors made their reports.

The proposal would require new duties of assessors. The effect on assessors would vary depending upon how many tax-exempt properties are in a county.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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POLITICAL SUBDIVISIONS

<u>Income</u> - Assessment Funds for GIS	\$0	\$11,000,000	\$11,000,000
<u>Income</u> - Payments in Lieu of Taxes	\$0	Unknown	Unknown
<u>Cost</u> - Assessors for reports of tax-exempt properties	(Unknown)	(Unknown)	(Unknown)
<u>Cost</u> - Counties for Payments in Lieu of Taxes	\$0	(Unknown)	(Unknown)
<u>Loss</u> - Other Local Government Funds	\$0	(\$11,000,000)	(\$11,000,000)
ESTIMATED NET EFFECT ON POLITICAL SUBDIVISIONS	<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.

DESCRIPTION

This proposal would, beginning January 1, 2002, and ending December 31, 2004, devote a DESCRIPTION (continued)

percentage of all ad valorem property tax collections (One-fifth of one percent for first

classification counties and the city of St. Louis, and one-half of one-percent for other counties) for installation and maintenance of geographic information systems (GIS) programs. Beginning January 1, 2005, the amount devoted to GIS programs would be one-twentieth of one percent.

The proposal would also require assessors to compile reports of specified county-owned property-tax exempt properties which were acquired for purposes of private development and are not developed within a certain period of time or are generating rental income for a county and require counties to make payments in lieu of taxes to political subdivisions for taxes which would have been collected on those properties had they not become tax exempt.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. The proposal would not affect Total State Revenue.

SOURCES OF INFORMATION

State Tax Commission



Jeanne Jarrett, CPA
Director
April 11, 2001