

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3150-01
Bill No.: SB 773
Subject: Taxation & Revenue-General; Political Subdivisions; Charities; Cities, Towns & Villages; Counties
Type: Original
Date: January 4, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Blind Pension Fund	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on <u>All</u> State Funds	(Unknown)	(Unknown)	(Unknown)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Political Subdivisions	(Unknown)	(Unknown)	(Unknown)
Local Government	(Unknown)	(Unknown)	(Unknown)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration** and the **Department of Revenue** assume there would be no fiscal impact to their organization.

Officials from the **State Tax Commission** assume there would be no fiscal impact to their organization, however, they estimate there would be a significant but unknown negative impact on local government revenues, particularly in Cole and Boone Counties. They also assume there could be an unknown negative impact on the Blind Pension Fund.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
BLIND PENSION FUND			
<u>Loss</u> - Reduced Property Tax	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON BLIND PENSION FUND	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2003 (10 Mo.)	 FY 2004	 FY 2005
<u>Political Subdivisions -</u>			
<u>Loss</u> - Reduced Property Tax	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON POLITICAL SUBDIVISIONS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT - Small Business

Small businesses which lease tangible personal property to government entities, schools, and charitable organizations would benefit from this proposal.

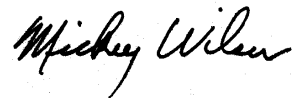
DESCRIPTION

This proposal would exempt from state, county, or local taxation any property leased for a period of at least one year to this state, any city, county or political subdivision; or to any educational, charitable, fraternal, religious, service or veterans' organization which has obtained an exemption from the payment of federal income taxes, provided such property is actually and regularly used exclusively for religious worship, for schools and colleges, or for purposes purely charitable.

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
State Tax Commission
Department of Revenue



Mickey Wilson, CPA
Acting Director
January 4, 2002