

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4232-01
Bill No.: HB 1476
Subject: Cities, Towns, and Villages; Counties; Economic Development; Revenue Dept.;
 Taxation and Revenue – Sales and Use
Type: Original
Date: April 5, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	Unknown	Unknown	Unknown

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Revenue, Department of Economic Development, Department of Labor and Industrial Relations, Department of Elementary and Secondary Education, Platte County, Jasper County** assume this proposal would have no fiscal impact on their agencies.

Officials with the **City of Kansas City** assume this proposal could generate annual sales and use tax collections of \$27 million to \$33.8 million per year for their jurisdiction. **Oversight** assumes that such revenues would be contingent upon approval by both the governing body of the jurisdiction and its voters.

Officials with the **St. Louis County and the City of Fulton** assume positive fiscal impact from this proposal, contingent upon approval by the governing bodies of their jurisdictions and the voters.

Oversight assumes that the fiscal impact of this proposal on local governments is unknown, as it would generate tax revenues for the cities, villages, and counties that chose to impose the tax. **Oversight** cannot speculate which jurisdictions would do so or the rate (up to ½%) at which such

ASSUMPTION (continued)

a tax would be imposed.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
Cities, Villages, & Counties – Sales Tax	<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.

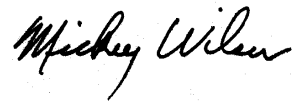
DESCRIPTION

This proposal authorizes a local sales tax for economic development purposes. Under this act, any city, village, or county could impose a sales tax of up to 1/2% by order or ordinance, pending voter approval in a state general or primary election.

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
Department of Economic Development
Department of Labor and Industrial Relations
Department of Elementary and Secondary Education
Platte County
Jasper County
St. Louis County
City of Kansas City
City of Fulton



Mickey Wilson, CPA
Director
April 5, 2004