

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0182-01
Bill No.: HB 161
Subject: Tax Credits; Public Buildings; Veterans; Housing
Type: Original
Date: December 22, 2016

Bill Summary: This proposal modifies definitions to give veterans priority in low-income housing tax credit projects.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2018 | FY 2019 | FY 2020 |
| | | | |
| Total Estimated Net Effect on General Revenue | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2018 | FY 2019 | FY 2020 |
| | | | |
| 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 2018 | FY 2019 | FY 2020 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2018 | FY 2019 | FY 2020 |
| | | | |
| | | | |
| Total Estimated Net Effect on FTE | 0 | 0 | 0 |

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2018 | FY 2019 | FY 2020 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of Administration’s Division of Budget and Planning** assume that while this proposal would not directly impact Total State Revenues, it does modify the pool of potential tenants for Low-Income Housing projects, and could alter the pool of eligible applicants for the Missouri Low-Income Housing Tax Credit. There is a \$6,000,000 cap on the tax credit program which is already issued in full, annually. This proposal will have no impact on the calculation under Article X, Section 18(e).

Officials at the **Department of Economic Development, Department of Insurance, Financial Institutions and Professional Registration, Department of Revenue** and the **Missouri Housing Development Commission** each assume there is no fiscal impact from this proposal to their respective organization.

Oversight notes this proposal adds that veterans be recognized as a priority tenant population in Low-Income Housing tax credit projects. This proposal expands the pool of tenants in the property but does not change the Low-Income Housing tax credit’s cap. Therefore, this proposal would not have a fiscal impact.

| <u>FISCAL IMPACT - State Government</u> | FY 2018 (10 Mo.) | FY 2019 | FY 2020 |
|---|---------------------|------------|------------|
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| <u>FISCAL IMPACT - Local Government</u> | FY 2018 (10 Mo.) | FY 2019 | FY 2020 |
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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 Economic Development
Department of Insurance, Financial Institutions and Professional Registration
Department of Revenue
Missouri Housing Development Commission
Office of Administration
Division of Budget and Planning



Mickey Wilson, CPA
Director
December 22, 2016

Ross Strobe
Assistant Director
December 22, 2016