

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1653H.01I
 Bill No.: HJR 32
 Subject: Taxation And Revenue - General; Taxation And Revenue - Property; Property,
 Real And Personal; Constitutional Amendments; Veterans
 Type: Original
 Date: February 19, 2021

Bill Summary: This legislation proposes an amendment to the Constitution of Missouri relating to property tax exemptions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
General Revenue*	\$0 or (More than \$7,000,000)	\$0	\$0 or Could exceed \$1,334,803
Total Estimated Net Effect on General Revenue	\$0 or (More than \$7,000,000)	\$0	\$0 or Could exceed \$1,334,803

*The potential fiscal impact of “(More than \$7,000,000)” in FY 2022 would be realized only if a special election were called by the Governor to submit this joint resolution to voters.

If approved by voters, there would be a savings (FY 2024 & thereafter) to the state’s General Revenue Fund from a reduction in Senior Property Tax Credits utilized.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Blind Pension Fund (0621)	\$0	\$0	\$0 or (Could exceed \$61,262)
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0 or (Could exceed \$61,262)

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Local Government	\$0*	\$0 or (Unknown)	\$0 or (Could exceed \$11,499,304)

*Potential costs and state reimbursements net to zero in FY 2022 if a special election is called.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Secretary of State** assume, each year, a number of joint resolutions that would refer to a vote of the people a constitutional amendment and bills that would refer to a vote of the people the statutory issue in the legislation may be considered by the General Assembly.

Unless a special election is called for the purpose, Joint Resolutions proposing a constitutional amendment are submitted to a vote of the people at the next general election. Article XII section 2(b) of the Missouri Constitution authorizes the Governor to order a special election for constitutional amendments referred to the people. If a special election is called to submit a Joint Resolution to a vote of the people, section 115.063.2 RSMo requires the state to pay the costs. The cost of the special election has been estimated to be \$7 million based on the cost of the 2020 Presidential Preference Primary.

The Secretary of State's office is required to pay for publishing in local newspapers the full text of each statewide ballot measure as directed by Article XII, Section 2(b) of the Missouri Constitution and Section 116.230-116.290, RSMo. Funding for this item is adjusted each year depending upon the election cycle. A new decision item is requested in odd numbered fiscal years and the amount requested is dependent upon the estimated number of ballot measures that will be approved by the General Assembly and the initiative petitions certified for the ballot. In FY 2014, the General Assembly changed the appropriation so that it was no longer an estimated appropriation.

In FY19, over \$5.8 million was spent to publish the full text of the measures for the August and November elections. The SOS estimates \$65,000 per page for the costs of publications based on the actual cost incurred for the one referendum that was on the August 2018 ballot.

The Secretary of State's office will continue to assume, for the purposes of this fiscal note, that it should have the full appropriation authority it needs to meet the publishing requirements. Because these requirements are mandatory, they reserve the right to request funding to meet the cost of our publishing requirements if the Governor and the General Assembly again change the amount or continue to not designate it as an estimated appropriation.

Officials from the **State Tax Commission** have reviewed this proposal and determined an unknown fiscal impact. The U.S. Census Survey (2018) states the number of veterans in Missouri is 479,828 of which over 80,000 have service related disabilities. The Agency does not possess the data to determine the number of qualifying, eligible individuals under the proposed criteria or how many of these individuals own real and personal property or the potential fiscal impact said exemption on local taxing jurisdictions such as school and fire districts, cities, counties who rely on property taxes for revenue.

Officials from **Office of Administration - Budget and Planning (B&P)** assume this proposal would go to public vote in November 2022. For the purpose of this fiscal note, B&P assumes that the tax exemption would begin January 1, 2023 if voter approved.

This proposal would exempt, upon voter approval, veterans with total service-connected disability from real property taxation. Current law only exempts former prisoners of war (POW) with total service-connected disabilities.

B&P notes that the term “total service-connected disability” is not defined by either federal or state law. B&P further notes that other provisions relying on that term have been interpreted to only include veterans who are 100% disabled or all veterans with a disability that is wholly related to their service. For the purpose of this fiscal note, B&P will show two estimates; a low estimate where only 100% disabled veterans receive the property tax exemption and a high estimate where all veterans with a service related disability receive the exemption.

General Revenue

During tax year 2019, there were 2,299 veterans that claimed the PTC as a disabled veteran, for total PTC claims of \$1,508,260. Under this proposal, some of these veterans would no longer be subject to real or personal property taxes and thus would no longer claim the PTC beginning with tax year 2023. B&P notes that some veterans age 65 and older may have elected to claim the PTC as a senior rather than as a disabled veteran, and would no longer claim the PTC under this proposal. Therefore, B&P estimates that this proposal will increase GR by up to \$1,508,260 annually beginning in FY24.

Blind Pension Trust Fund

Low Estimate

For the purpose of these estimates, B&P assumes that only veterans who are 100% disabled will receive the property tax exemption.

Based on data from the U.S. Census Bureau, there were 27,099 veterans with a service-connected disability of 70% or greater in Missouri during 2018. B&P notes that not all 27,099 veterans would qualify as some would not be 100% disabled. Additionally, based on data from the U.S. Census bureau, the average median housing value in Missouri was \$151,600 and the average median real estate taxes paid was \$1,470 in 2018. B&P notes however, that based on Section 137.115, RSMo, the assessed value for real property is 19% of the market value. Therefore, based on a market value of \$151,600, B&P estimates that the assessed value would be \$28,804.

B&P notes that the Blind Pension Trust Fund has a property tax levy of \$0.03 per \$100 valuation. Based on the U.S. Census Bureau data, B&P estimates that the Blind Pension Trust Fund receives a median of \$8.64 per real property within Missouri (\$28,804 median assessed

value x 0.0003 Blind Pension levy). Therefore, B&P estimates that this proposal could reduce funding to the Blind Pension Trust fund by up to \$234,168 (\$8.64 x 27,099 veterans).

Median Value	\$151,600
Assessed %	x 19%
Assessed Value	\$28,804
	x
Blind Pension Trust Fund levy	(0.03/100)
Median Blind Pension Tax	\$8.64
	x 27,099
Loss to Blind Pension Trust Fund	(\$234,168)

High Estimate

For the purpose of these estimates, B&P assumes that all veterans with a disability wholly related to their service will receive the property tax exemption.

Based on data from the U.S. Census Bureau, there were 87,646 veterans with a service-connected disability in Missouri during 2018. Additionally, based on data from the U.S. Census bureau, the average median housing value in Missouri was \$151,600 and the average median real estate taxes paid was \$1,470 in 2018. B&P notes however, that based on Section 137.115, RSMo, the assessed value for real property is 19% of the market value. Therefore, based on a market value of \$151,600, B&P estimates that the assessed value would be \$28,804.

B&P notes that the Blind Pension Trust Fund has a property tax levy of \$0.03 per \$100 valuation. Based on the U.S. Census Bureau data, B&P estimates that the Blind Pension Trust Fund receives a median of \$8.64 per real property within Missouri (\$28,804 median assessed value x 0.0003 Blind Pension levy). Therefore, B&P estimates that this proposal could reduce funding to the Blind Pension Trust fund by up to \$757,367 (\$8.64 x 87,646 veterans).

Median Value	\$151,600
Assessed %	x 19%
Assessed Value	\$28,804
	x
Blind Pension Trust Fund levy	(0.03/100)
	\$8.64
	x 87,646
Loss to Blind Pension Trust Fund	(\$757,367)

Local Property Tax Collections

Low Estimate

For the purpose of these estimates, B&P assumes that only veterans who are 100% disabled will receive the property tax exemption.

Based on data from the U.S. Census bureau, the average median housing value in Missouri was \$151,600 and the average median real estate taxes paid was \$1,470 in 2018. Using this data, B&P estimates that the median property tax levy in Missouri is \$0.97 per \$100 market value. Subtracting the \$0.03 per \$100 valuation levy for the Blind Pension Trust Fund, B&P estimates that the median local real property tax levy is \$0.96 per \$100 market value. Therefore, B&P estimates that this provision will reduce local real property tax revenues by \$39,601,362 (\$151,600 median home value x \$0.96/\$100 x 27,099 veterans).

Median Home Value	\$151,600
Median Local Real Property Tax Levy	x (0.96/100)
Median Local Real Property Tax	\$1,461.36
Qualifying veterans	x 27,099
Local Real Estate Taxes Lost	(\$39,601,362)

High Estimate

For the purpose of these estimates, B&P assumes that all veterans with a disability wholly related to their service will receive the property tax exemption.

Based on data from the U.S. Census bureau, the average median housing value in Missouri was \$151,600 and the average median real estate taxes paid was \$1,470 in 2018. Using this data, B&P estimates that the median property tax levy in Missouri is \$0.97 per \$100 market value. Subtracting the \$0.03 per \$100 valuation levy for the Blind Pension Trust Fund, B&P estimates that the median local real property tax levy is \$0.96 per \$100 market value. Therefore, B&P estimates that this provision will reduce local real property tax revenues by \$128,082,253 (\$151,600 median home value x \$0.96/\$100 x 87,646 veterans).

Median Home Value	\$151,600
Median Local Real Property Tax Levy	x (0.96/100)
Median Local Real Property Tax	\$1,461.36
Qualifying veterans	x 87,646
Local Real Estate Taxes Lost	(\$128,082,253)

Summary

B&P estimates that this proposal will increase GR by an amount up to \$1,508,260 annually beginning in FY24. In addition, depending on how the term “total service-connected disability” is implemented this proposal will reduce funding to the Blind Pension Trust Fund either by up to \$234,168 or by up to \$757,367 annually beginning in FY24. This proposal will also reduce local tax collections by an amount up to \$39,601,362 or by an amount up to \$128,082,253 annually beginning in FY24.

B&P notes that while this proposal will impact state funds, neither TSR nor the calculation under 18(e) would be impacted since it is voter-approved.

Officials from **Department of Revenue (DOR)** assume since this is voted on by the people it would not impact Total State Revenue. However, this would be an unknown loss to the Blind Pension fund and an increase to General Revenue from taxpayers no longer being eligible for the Senior Citizen Property Tax Credit.

Section 6

DOR assumes, if approved by voters at the November 2022, general election or at a special election called for this purpose, this proposal would allow for an exemption of property tax for military disabled veterans.

This section states that effective January 1, 2023, the property of military disabled veterans who have a total service-connected disability shall be exempt from taxation. The Department believes that that are approximately 413,189 veterans residing in Missouri (per the US. Census Bureau). According to the US Census Bureau American Community Survey 5 year estimate for 2018, Missouri reported the following disability rating for veterans:

	Missouri
	Estimate
Total	413,189
Has no service-connected disability rating	325,543
Has a service-connected disability rating:	87,646
0 percent	3,530
10 or 20 percent	26,758
30 or 40 percent	13,479
50 or 60 percent	11,542
70 percent or higher	27,099
Rating not reported	5,238

According to the data above as many as 27,099 may be eligible for this exemption.

Assuming that all of these individuals own their dwelling and or tangible personal property, specific by the various classifications of property tax, they would pay Missouri property tax. The Tax Foundation estimates that the per capita state and local property tax collections for

Missouri equals \$1,039. The Department notes that some veterans may have a property tax amount that is lower than this amount. Therefore, the veterans would be exempt from state and local property tax, of greater than \$35,472,591 (\$1,039 per person x 27,099 veterans). The Missouri Blind Pension fund receives \$.03 for each \$100 valuation of taxable property in the state of Missouri. The Department is unable to determine the actual valuation of the taxable property owned by Missouri veterans, as there are no publications specifying assessed value of property owned by Missouri veterans.

The Department estimates that the Missouri Blind Pension Fund could decrease by a minimum to substantial amount.

Additionally, DOR notes that if a military disabled veteran is exempt from paying real property tax, they would no longer be eligible to claim the Senior Property Tax Credit. Currently a person can claim the Senior Property Tax Credit if:

- A. They are 65 years or older
- B. 100% Disabled Veteran as a result of military service
- C. 100% Disabled or
- D. 60 years of age or older and receiving surviving spouse benefits

In TY 2018 – 1,747 taxpayers checked the disabled veteran box on the PTC form. They claimed \$1,161,345 in property tax credits.

In TY 2019- 2,299 taxpayers checked the disabled veteran box on the PTC form. They claimed \$1,508,260 in property tax credits.

Two year average claimed by disabled veterans is \$1,334,803.

DOR notes that if a disabled veteran is also over the age of 65 years of age they may have just checked the 65+ box instead of the Veterans box so the amount that could be exempt could be higher.

DOR assumes this would result in a savings to General Revenue that Could Exceed \$1,334,803 annually from military veterans no longer owing property tax and being ineligible for the property tax credit.

Given the election for this proposal is November 2022 (FY 2023) and the bill starts with property taxes on January 1, 2023; this proposal will have an impact starting in FY 2024 due to the filing deadline for the taxes being 12/31/2023 (FY 2024).

FY 2022	\$0
FY 2023	\$0
FY 2024	\$1,334,803 savings to GR and Unknown loss to Blind Pension fund

Officials from the **Department of Social Services, Office of the State Auditor** and the **Department of Public Safety - Missouri Veterans Commission** each assume the proposal will

have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to a similar proposal, HJR 3 (2021), officials from the **Howell County Assessor's Office** assumed there would be an undetermined revenue loss at this time as there is no knowledge of the number of potential recipients in our county. Additional programming will be required to implement and track the exemptions and that may be as little as \$1,500 and as great as \$10,000 or more and may take 2 years to obtain reliable systems to monitor this.

Officials from **Boone County Assessor's Office** state there are 9,132 Military veterans living in Boone County. The median price of a home in Boone County is \$180,000. The effective tax rate for residential property is 1.3%. If 50% of the military veterans living in Boone County own a home, this amendment would cost the taxing entities \$11 million dollars annually.

Officials from the **St. Louis County Assessor's Office** assume the proposal will have no fiscal impact on their organization.

Officials from the **City of St. Louis Assessor's Office** cannot provide an estimate of the fiscal impact because it cannot get any information from the local VA office regarding the number of veterans who have "a total service-connected disability".

Officials from the **City of Kansas City** assume this proposal provides a property tax exemption for military veterans. It would have a negative fiscal impact of an indeterminate amount.

Officials from the **City of Springfield** anticipate a fiscal impact, but have no assessment data on military veterans with a total service-connected disability so cannot calculate the fiscal impact.

Officials from the **City of Ballwin** assume there will not be an impact as the City of Ballwin does not collect a property tax.

Officials from the **City of Brentwood** state residents are not assessed property tax. However, it is difficult to determine how many commercial properties in the City of Brentwood are owned by disabled veterans. Therefore, at this time, the fiscal impact is unknown. The City of Brentwood assessed personal and real taxes on commercial property. However, if this is for a residential property, there is no fiscal impact to the City of Brentwood.

Officials from the **Newton County Health Department** assume the impact would be negative in the amount of taxes reduced to the local public health agency depending on the number of persons meeting the criteria in the bill.

Officials from the **Springfield R-XII School District** state the fiscal impact to the District is unknown.

In response to a similar proposal, HJR 3 (2021), officials from the **St. Louis County Health Department** assumed there would be a negative fiscal impact on St. Louis County Department of Public Health. The amount of loss in revenue is unknown.

In response to a similar proposal, HJR 3 (2021), officials from the **Village of Gordon, Gravois Fire Protection District, St. Clair Fire Protection District, Caldwell County Ambulance District, Malta Bend R-V School District, City of Gordonville, City of Hale, Wood Heights Fire Protection District** and the **Newark Rural Fire Protection District** each assumed the proposal would have a fiscal impact on their respective organizations.

In response to a similar proposal, HJR 3 (2021), officials from the **Kimberling City Police Department** assumed there would be a small impact to our police department budget.

In response to a similar proposal, HJR 3 (2021), officials from the **Florissant Valley Fire Protection District** assumed the impact of this is unknown since we do not know how many veterans that meet this criterion live in our fire district.

In response to a similar proposal, HJR 3 (2021), officials from the **Wentzville Fire Protection District** stated, as a Tax Supported Fire Protection District, any reduction in taxes will have an impact on our Budget and ability to respond to emergency calls. All tax supported Governmental agencies will be impacted by any granting of exemptions to Real and/or Personal Property Taxes.

In response to a similar proposal, HJR 3 (2021), officials from the **West County EMS & Fire Protection District** assumed the proposal would have an unknown fiscal impact on their organization.

In response to a similar proposal, HJR 3 (2021), officials from the **Raytown Fire Protection District** stated they are not sure how to quantify the exact amount, but this legislation would be a significant financial hit to our Fire District and would almost certainly result in a severe reduction in the service we are able to provide to our citizens. Our primary source of revenue as a Fire District is generated by the payment of property tax and targeted recipients of this exemption are by far the utilizers of our service. Our ambulance billing model relies heavily on a 2019 voter approved ambulance levy which allows us to not bill a citizen beyond what insurance will cover.

Officials from the **Crawford County 911 Board, Nodaway County Ambulance District, Northland Regional Ambulance District, St. Charles Community College** and the **High Point R-III School District** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to a similar proposal, HJR 3 (2021), officials from the **City of Corder, City of Ellington, City of Minden Mines, City of Puxico, Crestwood Police Department, Ellisville**

Police Department, Springfield Police Department, St. Joseph Police Department, St. Louis County Police Department, Weston Police Department, Gainesville Fire Department, Lexington Fire & Rescue, Plato Rural Fire Protection Association, Sugar Creek Fire Department, Kansas City Police Department, St. John Police Department, Crawford County 911 Board, Nodaway County Ambulance District, Pettis County Ambulance District, and the Boone County Sheriff each assumed the proposal would have no fiscal impact on their respective organizations.

Oversight notes, per information on the State Tax Commission’s [website](#), an applicant must meet the following requirements to qualify for the property tax exemption as it exists in current law:

- be a former prisoner of war and
- a veteran of any branch of the armed forces of the United States or this state who became one hundred percent disabled as a result of his or her military service, and must
- own and occupy the homestead as a primary residence.

Oversight notes the phrase “total service connected disability” exists in current law and for purposes of this fiscal note assumes it has the same meaning as noted above by the State Tax Commission.

Based on information provided by the Department of Public Safety - Missouri Veterans Commission, **Oversight** notes there were 10,095 veterans with a total (100%) service-connected disability in Missouri as of December 2019.

Based on estimates from the [Housing Assistance Council](#), **Oversight** notes the homeownership rate for veterans is 77.7% with a median house value of \$137,000. Assuming a similar homeownership rate for veterans with a total (100%) service connected disability, Oversight estimates 7,844 veterans may qualify for the property tax exemption (10,095 * .777).

Oversight notes property tax levies differ based on the location of the property and the varying taxing entities. Based on information from the [Greene County Collector's](#) website, Oversight estimated the property tax levy for a property in the City of Springfield at \$5.6316 (not counting the .03 collected for the Blind Pension Fund) in the table below:

Taxing District	2020 Tax Levy
County General Revenue	0.1248
Road	0.1248
Co. Dev. Disability Programs	0.0467
Library	0.2434
OTC College	0.1996

Springfield R-12 Schools	4.2727
City of Springfield	0.6196
Total	5.6316

Using the median value of \$137,000 and a tax levy of 5.6316, **Oversight** estimates a loss of revenue of \$1,466 per veteran ($((\$137,000 * .19 = \$26,030 \text{ in assessed value}) / 100 = \$260.3) * 5.6316$). Oversight estimates the total revenue losses to local political subdivisions at \$11,499,304 (7,844 veterans * \$1,466 revenue loss per veteran). Because tax rates vary by location, Oversight assumes the loss to local political subdivisions could exceed \$11,499,304.

Oversight notes the Blind Pension Fund (0621) is calculated as an annual tax of three cents on each one hundred dollars valuation of taxable property ($(\text{Total Assessed Value}/100)*.03$). Oversight estimates a reduction in residential real property tax revenue to the Blind Pension Fund at \$7.81 per veteran ($\$137,000 * .19 = \$26,030 \text{ in assessed value} / 100 = \$260.30 * .03$) for an estimated total of \$61,262 ($7,844 * \7.81).

Oversight assumes this proposal expands the exemption to all former prisoners of war (not just those with a service-connected disability). However, based on information from the Missouri Veterans Commission, there are nearly no former prisoners of war in Missouri.

Oversight notes this proposal is contingent on a voter approved amendment to the Constitution. Oversight will show the impact as either \$0 (Constitutional amendment is not approved by voters AND/OR the local political subdivisions may be able to increase the levy to all other taxpayers to replace the lost property tax revenues from disabled veterans) to an unknown loss in revenue to the Blind Pension Fund and local political subdivisions beginning in FY 2024.

Oversight will use the Department of Revenue's estimate of \$1,334,803 in savings to General Revenue for veterans no longer claiming the property tax credit.

Oversight received a limited number of responses from local political subdivisions related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other local political subdivisions were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
GENERAL REVENUE			
<u>Revenue Gain</u> – DOR – Veterans no longer claiming the Senior Property Tax Credit (if amendment is approved by voters)	\$0	\$0	\$0 or Could exceed \$1,334,803
<u>Transfer Out</u> – Local Election Authorities - the cost of the special election if called for by the Governor	\$0 or <u>(\$7,000,000)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	\$0 or <u>(\$7,000,000)</u>	<u>\$0</u>	\$0 or Could exceed <u>\$1,334,803</u>
BLIND PENSION FUND			
<u>Revenue Loss</u> - no real property tax collected from veterans with a total service-connected disability	<u>\$0</u>	<u>\$0</u>	\$0 or (Could exceed <u>\$61,262</u>)
ESTIMATED NET EFFECT ON BLIND PENSION FUND	<u>\$0</u>	<u>\$0</u>	\$0 or (Could exceed <u>\$61,262</u>)

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
LOCAL POLITICAL SUBDIVISIONS			
<u>Costs</u> – to implement and monitor	\$0	\$0 or (Unknown)	\$0 or (Unknown)
<u>Revenue Loss</u> - no real property tax collected from veterans with a total service-connected disability*	\$0	\$0	\$0 or (Unknown, Could exceed \$11,499,304)
<u>Transfer In</u> – Local Election Authorities - reimbursement of election costs by the State for a special election	\$0 or More than \$7,000,000	\$0	\$0
<u>Costs</u> – Local Election Authorities – cost of a special election if called by Governor	\$0 or (More than \$7,000,000)	\$0	\$0
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	\$0	\$0 or (Unknown)	\$0 or (Unknown, Could exceed \$11,499,304)

***Oversight notes this impact could be substantially reduced if taxing authorities are able to increase the levy to other taxpayers to make up for the loss of property tax revenue of disabled veterans resulting from this proposal.**

FISCAL IMPACT – Small Business

Oversight assumes there could be an impact to small businesses owned by veterans with a total service connected disability. Conversely, taxing jurisdictions may be able to increase the levy to all other property owners to make up for the lost revenue.

FISCAL DESCRIPTION

Upon voter approval, this proposed Constitutional amendment would exempt all real property used as a homestead from taxation for any military veteran who has a total service-connected disability.

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 the Secretary of State
State Tax Commission
Office of Administration - Budget and Planning
Department of Revenue
Department of Public Safety - Missouri Veterans Commission
Department of Social Services
Office of the State Auditor
Howell County Assessor's Office
Boone County Assessor's Office
City of St. Louis Assessor's Office
St. Louis County Assessor's Office
City of Kansas City
City of Springfield
City of Ballwin
City of Brentwood
Village of Gordon
Jackson County
St. Louis County Health Department
Gravois Fire Protection District
St. Clair Fire Protection District
Caldwell County Ambulance District
High Point R-III School District
Malta Bend R-V School District
Springfield R-XII School District
St. Charles Community College
City of Gordonville
City of Hale
Crawford County 911 Board
Nodaway County Ambulance District
Northland Regional Ambulance District
Wood Heights Fire Protection District
Newark Rural Fire Protection District
Kimberling City Police Department
Florissant Valley Fire Protection District
Wentzville Fire Protection District
West County EMS & Fire Protection District
Raytown Fire Protection District
City of Corder
City of Ellington
City of Minden Mines
City of Puxico
Crestwood Police Department

Ellisville Police Department
Springfield Police Department
St. Joseph Police Department
St. Louis County Police Department
Weston Police Department
Gainesville Fire Department
Lexington Fire & Rescue
Plato Rural Fire Protection Association
Sugar Creek Fire Department
Kansas City Police Department
St. John Police Department
Crawford County 911 Board
Nodaway County Ambulance District
Pettis County Ambulance District
Boone County Sheriff
Newton County Health Department



Julie Morff
Director
February 19, 2021



Ross Strobe
Assistant Director
February 19, 2021