

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2919S.01I
Bill No.: SB 1149
Subject: Taxation and Revenue - Property; Counties
Type: Original
Date: February 14, 2024

Bill Summary: This proposal modifies provisions relating to delinquent property taxes.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
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 2025	FY 2026	FY 2027
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration - Budget and Planning (B&P)** assume this proposal would allow county assessors and taxpayers to negotiate the amount to be paid on delinquent real property tax liabilities. B&P notes that this could result in a reduction of real property tax revenues if the negotiated payment is below the total delinquent tax due amount. B&P notes that this proposal does not specify which taxing jurisdictions would be impacted by the lowered collections amount. It is unclear if the county would bear the full loss or if each relevant taxing jurisdiction would be impacted. B&P further notes that the Blind Pension Trust Fund levies a statewide property tax of \$0.03 per \$100 value. Under this proposal, it is unclear if revenues to the Blind Pension Trust Fund would be impacted.

The **Joint Committee on Public Employee Retirement (JCPER)** has reviewed the bill. The bill has no direct fiscal impact to the Joint Committee on Public Employee Retirement. The JCPER’s review of this legislation indicates it will not affect retirement plan benefits as defined in Section 105.660(9).

Officials from the **City of Springfield** anticipate a negative fiscal impact of an undetermined amount.

Officials from the **City of Kansas City** and the **Henry Co. R-I 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 localities.

Officials from the **Department of Revenue, State Tax Commission,** and the **Office of the State Auditor** 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.

Oversight assumes the proposal allows for flexibility for the governing body and is permissive in nature. Oversight assumes the proposal would not have a direct fiscal impact, but would require additional action by the counties to have a fiscal impact.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<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.

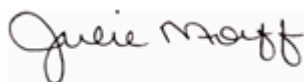
FISCAL DESCRIPTION

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

Office of Administration - Budget and Planning (B&P)
 Joint Committee on Public Employee Retirement (JCPER)
 City of Springfield
 City of Kansas City
 Henry Co. R-I School District
 Department of Revenue
 State Tax Commission
 Office of the State Auditor



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 February 14, 2024



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 February 14, 2024