

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4842-01
Bill No.: HB 1126
Subject: Taxation and Revenue - Property; Political Subdivisions
Type: Original
Date: January 25, 2012

Bill Summary: This proposal extends the expiration date for tax credits allowed against a freight line company's property taxes for eligible expenses incurred on qualifies rolling stock in Missouri to August 28, 2020.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
General Revenue	\$0	\$0	\$0 or (Unknown)
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0 or (Unknown)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
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 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Budget and Planning** assume this proposal extends the Rolling Stock Tax Credit Program until 2020. These credits are subject to appropriation and have not been appropriated since the program's inception. This proposal will have no direct impact on General and Total State Revenues but could increase General Revenue spending if the legislature chooses to make an appropriation.

Officials at the **Department of Revenue** assume that there is no fiscal impact from this proposal.

Oversight assumes this tax credit was to sunset on August 28, 2014. The tax credit is subject to appropriation and does not have an annual cap. Oversight will show the impact as zero (no appropriation) or an Unknown cost beginning in FY 2015 (if the legislature chooses to appropriate for the credit).

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
GENERAL REVENUE			
<u>Cost-</u> extension of the tax credit	<u>\$0</u>	<u>\$0</u>	<u>\$0 or (Unknown)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0</u>	<u>\$0</u>	<u>\$0 or (Unknown)</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2013 (10 Mo.)	 FY 2014	 FY 2015
	<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.

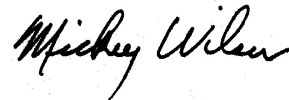
FISCAL DESCRIPTION

Currently, a freight line company is allowed a tax credit against its property taxes for eligible expenses incurred on qualified rolling stock in Missouri. This bill extends the tax credit from August 28, 2014, to August 28, 2020.

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

Budget and Planning
Department of Revenue



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Director
January 25, 2012