

# DEPARTMENT OF REVENUE

## FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Administration Division	\$ 18,400,904	\$ 20,927,914	\$ 13,650,911	\$ 13,383,279
Taxation Division	14,276,604	14,603,640	23,489,743	24,672,134
Motor Vehicle and Driver Licensing Division	2,219,785	2,301,617	2,032,041	2,032,041
Legal Services Division	2,263,510	2,611,621	2,452,998	2,452,998
Highway Collections	23,979,728	24,445,638	24,512,871	23,242,578
State Tax Commission	2,848,422	2,826,529	4,176,921	2,826,529
Distributions	221,390,856	228,097,097	228,782,574	217,810,057
State Lottery Commission	152,475,670	140,247,339	143,367,339	145,247,339
<b>DEPARTMENTAL TOTAL</b>	<b>\$ 437,855,479</b>	<b>\$ 436,061,395 *</b>	<b>\$ 442,465,398</b>	<b>\$ 431,666,955</b>
General Revenue Fund	84,233,523	81,169,861	84,467,344	74,437,839
Federal Budget Stabilization Fund	0	2,571,865	2,571,865	0
Federal Funds	3,674,829	6,669,721	6,865,545	6,865,546
Child Support Enforcement Fund	1,928,515	2,624,213	2,624,213	2,624,213
Health Initiatives Fund	52,356	59,087	59,268	59,087
Elderly Home-Delivered Meals Trust Fund	11,774	12,582	12,582	12,582
Petroleum Storage Tank Insurance Fund	25,410	27,654	27,654	27,654
Motor Vehicle Commission Fund	1,112,240	1,155,065	1,156,591	1,155,065
Conservation Commission Fund	553,253	557,159	557,206	557,159
Department of Revenue Information Fund	773,014	808,873	815,793	808,873
State Highways and Transportation Department Fund	11,585,767	12,117,273	11,899,295	11,830,895
Lottery Enterprise Fund	152,475,670	140,247,339	143,367,339	145,247,339
Petroleum Inspection Fund	35,204	35,497	35,497	35,497
Motor Fuel Tax Fund	181,390,104	188,000,000	188,000,000	188,000,000
Department of Revenue Specialty Plate Fund	3,820	5,206	5,206	5,206
<b>Total Full-time Equivalent Employees</b>	<b>1,454.45</b>	<b>1,461.49</b>	<b>1,474.49</b>	<b>1,465.49</b>
General Revenue Fund	999.81	1,011.20	1,019.20	1,015.20
Federal Funds	1.05	6.74	11.74	11.74
Other Funds	453.59	443.55	443.55	438.55

\* Does not include \$3,485,217 recommended in the Fiscal Year 2010 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Revenue supplemental appropriations.

## DEPARTMENT SUMMARY

The Fiscal Year 2011 budget provides \$431.7 million for the Department of Revenue. The department serves as the primary revenue collection agency for the State of Missouri. It strives to ensure that all taxes and fees owed to the state are paid, taxpayers are served conscientiously and efficiently, and revenues are collected at minimal administrative expense. The core functions provided by the Department of Revenue include:

- Preparing tax forms.
- Processing tax forms, returns, associated payments, and refunds.
- Titling and registering motor vehicles, boats, and trailers.
- Licensing drivers.
- Investigating instances of suspected tax or fee avoidance.

**DEPARTMENT OF REVENUE  
ADMINISTRATION DIVISION**

**FINANCIAL SUMMARY**

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administration Division	\$ 14,264,720	\$ 18,213,398	\$ 10,668,763
Postage	3,397,078	2,714,516	2,714,516
Mail Center Consolidation	739,106	0	0
<b>TOTAL</b>	<b>\$ 18,400,904</b>	<b>\$ 20,927,914</b>	<b>\$ 13,383,279</b>
<b>PERSONAL SERVICE</b>			
General Revenue Fund	8,678,408	8,564,225	1,597,362
Federal Funds	23,688	50,758	50,758
Other Funds	115,718	24,372	24,372
<b>EXPENSE AND EQUIPMENT</b>			
General Revenue Fund	4,006,840	3,348,923	2,771,151
Federal Funds	3,308,329	5,970,006	5,970,006
Other Funds	2,265,340	2,964,630	2,969,630
<b>PROGRAM SPECIFIC DISTRIBUTION</b>			
Other Funds	2,581	5,000	0
<b>TOTAL</b>			
General Revenue Fund	12,685,248	11,913,148	4,368,513
Federal Funds	3,332,017	6,020,764	6,020,764
Other Funds	2,383,639	2,994,002	2,994,002
<b>Total Full-time Equivalent Employees</b>			
General Revenue Fund	205.45	181.29	49.80
Federal Funds	200.80	178.67	47.18
Other Funds	0.71	1.74	1.74
Other Funds	3.94	0.88	0.88

The Administration Division provides service and administrative support to the department in the areas of accounting, cash management, procurement, mail operations, central supply inventory, receiving, warehousing, archival, delivery, motor pool, facility services, personnel, form development, and training. The Internal Compliance Bureau reviews and evaluates the department's accounting controls and appraises the effectiveness and efficiency of the use of department resources.

**Fiscal Year 2011 Governor's Recommendations**

- \$489,909 and 11.01 staff reallocated from various divisions for department reorganization.
- (\$7,888,835) and (137.5) staff reallocated to the Taxation Division for department reorganization.
- (\$145,709) and (two) staff reallocated to the Taxation Division for debt collection.
- (Three) staff reallocated to the Legal Services Division.

**DEPARTMENT OF REVENUE  
TAXATION DIVISION**

**FINANCIAL SUMMARY**

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Taxation Division TOTAL	\$ 14,276,604	\$ 14,603,640	\$ 24,672,134
<b>PERSONAL SERVICE</b>			
General Revenue Fund	11,711,211	12,181,583	20,625,189
Other Funds	651,329	660,444	660,444
<b>EXPENSE AND EQUIPMENT</b>			
General Revenue Fund	1,893,727	1,736,794	3,361,682
Other Funds	20,337	24,819	24,819
<b>TOTAL</b>			
General Revenue Fund	13,604,938	13,918,377	23,986,871
Other Funds	671,666	685,263	685,263
<b>Total Full-time Equivalent Employees</b>	<b>463.63</b>	<b>465.10</b>	<b>641.60</b>
General Revenue Fund	438.17	440.18	616.68
Other Funds	25.46	24.92	24.92

The Taxation Division administers and enforces taxation and collection laws. The division deposits all tax revenue, issues refunds, and collects and distributes local taxes. The division's collection activities include account management, lien filing, delinquent tax collections (including identification of non-compliant businesses and individuals), tax clearances, and debt offsets. The division has seven in-state field offices (St. Louis, Kansas City, Springfield, Jefferson City, Joplin, St. Joseph, and Cape Girardeau) that audit businesses required to pay taxes to the State of Missouri and handle taxpayer assistance inquiries. The division's auditors are also stationed in four out-of-state offices (Chicago, Dallas, Atlanta, and New York) to foster compliance with Missouri tax laws.

**Fiscal Year 2011 Governor's Recommendations**

- \$753,741 to replace a remittance tax processor.
- \$51,263 and two staff to implement House Bill 191 (2009) that requires the Department of Revenue to administer, collect, and enforce the sales taxes related to Transportation Development Districts.
- \$8,081,099 and 140.5 staff reallocated from various divisions for department reorganization.
- \$1,182,391 and 34 staff reallocated from various divisions for debt collection.

**DEPARTMENT OF REVENUE  
MOTOR VEHICLE AND DRIVER LICENSING DIVISION**

**FINANCIAL SUMMARY**

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Motor Vehicle and Driver Licensing Division TOTAL	\$ 2,219,785	\$ 2,301,617	\$ 2,032,041
<b>PERSONAL SERVICE</b>			
General Revenue Fund	391,559	445,823	196,394
Federal Funds	10,242	199,141	199,141
Other Funds	512,753	566,495	566,495
<b>EXPENSE AND EQUIPMENT</b>			
General Revenue Fund	446,218	162,824	142,677
Federal Funds	289,664	379,816	379,816
Other Funds	569,349	547,518	547,518
<b>TOTAL</b>			
General Revenue Fund	837,777	608,647	339,071
Federal Funds	299,906	578,957	578,957
Other Funds	1,082,102	1,114,013	1,114,013
<b>Total Full-time Equivalent Employees</b>	<b>35.59</b>	<b>41.05</b>	<b>36.05</b>
General Revenue Fund	14.94	15.05	10.05
Federal Funds	0.34	5.00	5.00
Other Funds	20.31	21.00	21.00

The Motor Vehicle and Driver Licensing Division administers Missouri statutes that relate to the licensing of drivers and the titling and registration of motor vehicles, all-terrain vehicles, trailers, manufactured homes, and marine-craft. The division also directs the operations of the contract license offices throughout the state and awards the offices through a competitive bid process.

**Fiscal Year 2011 Governor's Recommendations**

- \$58,150 and two staff to provide non-confidential records to the public.
- (\$327,726) and (seven) staff reallocated to various divisions for department reorganization.

**DEPARTMENT OF REVENUE  
LEGAL SERVICES DIVISION**

**FINANCIAL SUMMARY**

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Legal Services Division TOTAL	\$ 2,263,510	\$ 2,611,621	\$ 2,452,998
<b>PERSONAL SERVICE</b>			
General Revenue Fund	1,614,556	1,875,757	1,543,340
Federal Funds	0	0	195,824
Other Funds	455,606	455,981	455,981
<b>EXPENSE AND EQUIPMENT</b>			
General Revenue Fund	149,631	173,806	151,776
Federal Funds	42,906	70,000	70,000
Other Funds	811	36,077	36,077
<b>TOTAL</b>			
General Revenue Fund	1,764,187	2,049,563	1,695,116
Federal Funds	42,906	70,000	265,824
Other Funds	456,417	492,058	492,058
<b>Total Full-time Equivalent Employees</b>	<b>52.23</b>	<b>53.16</b>	<b>54.15</b>
General Revenue Fund	40.99	42.16	38.15
Federal Funds	0.00	0.00	5.00
Other Funds	11.24	11.00	11.00

The General Counsel's Office advises the director on legal matters and represents the director in legal proceedings. The Criminal Investigation Bureau investigates suspected tax, motor vehicle, dealer, and driver license fraud, and prepares cases for prosecution.

**Fiscal Year 2011 Governor's Recommendations**

- \$195,824 federal funds and five staff to handle license suspension, revocation, and denial appeal cases.
- (\$354,447) and (7.01) staff reallocated to the Administration Division for department reorganization.
- Three staff reallocated from the Administration Division.

**DEPARTMENT OF REVENUE  
HIGHWAY COLLECTIONS**

**FINANCIAL SUMMARY**

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Highway Collections - Taxation Division	\$ 1,585,519	\$ 1,933,617	\$ 1,885,265
Highway Collections - Motor Vehicle and Driver Licensing Division	15,738,553	15,397,515	13,706,465
Highway Collections - Legal Services Division	2,478,963	2,667,082	2,184,126
Highway Collections - Attorney Fees	0	5,000	5,000
Highway Collections - Postage	3,165,541	3,052,850	2,766,472
Highway Collections - Administration Division	1,011,152	1,389,574	2,695,250
<b>TOTAL</b>	<b>\$ 23,979,728</b>	<b>\$ 24,445,638</b>	<b>\$ 23,242,578</b>
<b>PERSONAL SERVICE</b>			
General Revenue Fund	8,066,966	8,974,473	8,170,733
Other Funds	6,391,518	6,773,445	6,773,445
<b>EXPENSE AND EQUIPMENT</b>			
General Revenue Fund	4,425,233	3,353,892	3,240,950
Other Funds	5,096,011	5,343,828	5,057,450
<b>TOTAL</b>			
General Revenue Fund	12,492,199	12,328,365	11,411,683
Other Funds	11,487,529	12,117,273	11,830,895
<b>Total Full-time Equivalent Employees</b>	<b>471.10</b>	<b>502.39</b>	<b>470.39</b>
General Revenue Fund	247.65	280.14	248.14
Other Funds	223.45	222.25	222.25

Missouri Constitution Article, IV, Sections 30(a), 30(b), and 30(c) requires all revenues from the existing motor vehicle fuel tax, vehicle taxes and fees paid by highway users (less collection costs of three percent of the amount collected) be used for state and local highways, roads and bridges, and for constructing and maintaining the state highway system. The Department of Revenue collects and remits these revenues to the State Highways and Transportation Department Fund. Highway Collections functions are distributed between the Taxation, Motor Vehicle and Driver Licensing, Administration, and Legal Services Divisions.

**Fiscal Year 2011 Governor's Recommendations**

- \$120,000 for increased license plate costs.
- (\$1,036,682) and (32) staff reallocated to the Taxation Division for debt collection.
- (\$286,378) State Highways and Transportation Department Fund core reduction for one-time expenditures.

**DEPARTMENT OF REVENUE  
STATE TAX COMMISSION**

**FINANCIAL SUMMARY**

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
State Tax Commission TOTAL	\$ 2,848,422	\$ 2,826,529	\$ 2,826,529
PERSONAL SERVICE	2,606,992	2,582,202	2,582,202
EXPENSE AND EQUIPMENT	241,430	244,327	244,327
TOTAL			
General Revenue Fund	2,848,422	2,826,529	2,826,529
Total Full-time Equivalent Employees	57.26	55.00	55.00
General Revenue Fund	57.26	55.00	55.00

The State Tax Commission is a quasi-judicial administrative agency created by the Missouri Constitution to perform six basic functions. These functions are: equalize inter- and intra-county assessments; conduct de novo judicial hearings regarding valuation and classification appeals from local boards of equalization; formulate and implement statewide assessment policy and procedures to comport with statutory and constitutional mandates; supervise local assessing officials and local assessment programs to ensure compliance with statewide requirements; conduct ratio studies to determine the assessment level in each county and to measure the quality of the assessments; and assess the distributable property of railroads and public utilities.

**Fiscal Year 2011 Governor's Recommendations**

Continue funding at the current level.

**DEPARTMENT OF REVENUE  
DISTRIBUTIONS**

**FINANCIAL SUMMARY**

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Prosecuting Attorneys and Collection Agencies Fees	\$ 3,927,797	\$ 2,009,425	\$ 2,009,425
County Filing Fees	186,110	225,000	225,000
State Share of Assessment Maintenance Costs	18,756,070	19,020,668	12,480,296
Motor Fuel Tax Distribution to Cities and Counties	181,390,104	188,000,000	188,000,000
Emblem Use Fee Distribution	300	1,000	1,000
County Stock Insurance Tax	1,507,687	500,000	500,000
Homestead Preservation Tax Credit	90,612	2,571,865	810,000
Debt Offset For Tax Credits Transfer	238,494	200,000	200,000
Debt Offset Transfer	12,226,862	11,292,384	11,292,384
Circuit Courts Escrow Transfer	1,506,894	505,500	505,500
Income Tax Check-Off Refund Designations	368,038	396,000	396,000
General Revenue Reimbursement to State			
Highway and Transportation Fund	1,110,268	0	0
Downtown Revitalization Preservation Transfer	0	134,805	150,000
State Supplemental Downtown Development Transfer	81,620	3,240,450	1,240,450
MOSIRA Transfer	0	0	1
Federal Programs	0	0	1
<b>TOTAL</b>	<b>\$ 221,390,856</b>	<b>\$ 228,097,097</b>	<b>\$ 217,810,057</b>
<b>EXPENSE AND EQUIPMENT</b>			
General Revenue Fund	1,418,862	500,000	500,000
<b>PROGRAM SPECIFIC DISTRIBUTION</b>			
General Revenue Fund	38,581,890	37,025,232	29,310,056
Federal Funds	0	2,571,865	1
Other Funds	181,390,104	188,000,000	188,000,000
<b>TOTAL</b>			
General Revenue Fund	40,000,752	37,525,232	29,810,056
Federal Funds	0	2,571,865	1
Other Funds	181,390,104	188,000,000	188,000,000
<b>Total Full-time Equivalent Employees</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**PROSECUTING ATTORNEYS AND COLLECTION AGENCIES FEES**

Section 136.150, RSMo, provides for payment of a collection fee of 20 percent of delinquent taxes, licenses, or fees recovered on behalf of the state by circuit or prosecuting attorneys. The collection fee is deposited in the county treasury with one-half of the fee for use by the attorney's office and one-half to be expended as the county determines.

Section 140.850, RSMo, authorizes the Department of Revenue to use private attorneys or professional collection agencies to collect delinquent taxes owed by resident and non-resident taxpayers (individuals and businesses). The statute permits a collection fee not to exceed 25 percent of the amount collected.

**Fiscal Year 2011 Governor's Recommendations**

Continue funding at the current level.

**COUNTY FILING FEES**

The Department of Revenue is authorized to file tax liens on property owned by taxpayers who are delinquent in income tax or sales/use tax. Under Section 144.380.4, RSMo, county recorders may charge the department a fee of \$3.00 per tax lien for filing and \$1.50 per release of a filed tax lien. The department collects these fees from the delinquent taxpayers.

**Fiscal Year 2011 Governor's Recommendations**

Continue funding at the current level.

**DEPARTMENT OF REVENUE  
DISTRIBUTIONS**

**STATE SHARE OF ASSESSMENT MAINTENANCE COSTS**

The state reimburses a portion of the costs and expenses for maintaining assessments by the county assessors and the St. Louis City assessor.

**Fiscal Year 2011 Governor's Recommendations**

- (\$6,540,372) core reduction from the Fiscal Year 2010 appropriation level.

**MOTOR FUEL TAX DISTRIBUTION TO CITIES AND COUNTIES**

Missouri Constitution Article IV, Section 30(a)(2) requires 15 percent of the net proceeds from the Motor Fuel Tax collections be allocated to the incorporated cities, towns, and villages of the state to assist in the maintenance of streets and highways.

Missouri Constitution Article IV, Section 30(a)(1) requires that 10 percent of the net proceeds from Motor Fuel Tax collections be distributed to the counties to assist in the maintenance of county roads, highways, and bridges. In addition, Missouri Constitution Article IV, Section 30(a)(2) requires that 15 percent of the net proceeds resulting from any increase in the Motor Fuel Tax rate over the rate in effect on March 31, 1992, be distributed to the counties to assist in the maintenance of county roads, highways, and bridges.

**Fiscal Year 2011 Governor's Recommendations**

Continue funding at the current level.

**EMBLEM USE FEE DISTRIBUTION**

Under Section 301.3141, RSMo, contributions to the "Veterans of Foreign Wars Department of Missouri" may be used to apply for a specialty license plate. The contributions can be made to the Department of Revenue, which then remits them to the Veterans of Foreign Wars Department of Missouri.

**Fiscal Year 2011 Governor's Recommendations**

Continue funding at the current level.

**COUNTY STOCK INSURANCE TAX**

The Department of Revenue uses this appropriation to meet the apportionment requirements for the County Stock Insurance Tax required by Section 148.330, RSMo, while holding school districts and counties harmless to reductions from premium tax credits provided to insurance companies.

**Fiscal Year 2011 Governor's Recommendations**

Continue funding at the current level.

**HOMESTEAD PRESERVATION TAX CREDIT**

Section 137.106, RSMo, the Homestead Preservation Act, enables qualified senior citizens and disabled persons to obtain a credit against their property taxes for an increase to their taxes that exceeds statutory thresholds. This appropriation provides funds to be distributed to county governments to offset property taxes of qualified applicants.

**Fiscal Year 2011 Governor's Recommendations**

- \$810,000 to replace federal budget stabilization funds.
- (\$2,571,865) Federal Budget Stabilization Fund core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF REVENUE  
DISTRIBUTIONS**

**DEBT OFFSET FOR TAX CREDITS TRANSFER**

Section 135.815, RSMo, requires that tax credit applicants must first use any award to pay off any delinquent income, sales, use, or insurance taxes. After applying all credits toward any delinquencies, the applicant can be issued any remaining credits. The Department of Revenue uses this appropriation to satisfy delinquencies.

**Fiscal Year 2011 Governor's Recommendations**

Continue funding at the current level.

**DEBT OFFSET TRANSFER**

Chapter 143, RSMo, provides a mechanism to offset debts owed to the state against tax refunds payable to the debtor. The Department of Revenue transfers to the Office of State Treasurer the amount of the debt certified to be owed to a state agency in an amount not exceeding the tax refund claimed. Any amount in excess of the debt is forwarded to the taxpayer. Upon settlement of the claim through the established administrative hearings process, the escrow funds are returned to the state agency and/or the payee.

**Fiscal Year 2011 Governor's Recommendations**

Continue funding at the current level.

**CIRCUIT COURTS ESCROW TRANSFER**

Section 143.784, RSMo, provides a mechanism to offset debts owed to the state against tax refunds payable to the debtor. The Department of Revenue transfers to the Office of State Courts Administrator (OSCA) any amounts certified to be owed to the courts, in an amount not exceeding the tax refund claimed. Upon settlement of the claim, the escrow funds are returned to OSCA.

**Fiscal Year 2011 Governor's Recommendations**

Continue funding at the current level.

**INCOME TAX CHECK-OFF REFUND DESIGNATIONS**

State statutes permit individuals and corporations to contribute a portion of any income tax refund that they are owed to numerous separate state trust funds and separate charitable trust funds. The amounts designated by taxpayers for distribution to the various trust funds are transferred from the General Revenue Fund.

**Fiscal Year 2011 Governor's Recommendations**

Continue funding at the current level.

**DOWNTOWN REVITALIZATION PRESERVATION TRANSFER**

Section 99.1092, RSMo, requires the department to annually transfer the first \$15,000,000 of other net new revenues generated by redevelopment projects to the Downtown Revitalization Preservation Fund.

**Fiscal Year 2011 Governor's Recommendations**

- \$15,195 transferred to the Downtown Revitalization Preservation Fund.

**STATE SUPPLEMENTAL DOWNTOWN DEVELOPMENT TRANSFER**

Section 99.963, RSMo, requires the department to annually transfer the first \$150,000,000 of other net new revenues generated by development projects to the State Supplemental Downtown Development Fund.

**Fiscal Year 2011 Governor's Recommendations**

- (\$2,000,000) core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF REVENUE  
DISTRIBUTIONS**

**MISSOURI SCIENCE INNOVATION REINVESTMENT ACT**

The Missouri Science Innovation Reinvestment Act (MOSIRA) creates a funding mechanism that captures a percentage of the growth in gross wages over a base year from a group of science and innovation companies in Missouri which would be used for capital needs of start-up and small businesses.

**Fiscal Year 2011 Governor's Recommendations**

- \$1 on an open-ended basis to transfer to the Department of Economic Development for the Missouri Science and Innovation Reinvestment Act.

**FEDERAL PROGRAMS**

For the receipt and expenditure of federal resources as available.

**Fiscal Year 2011 Governor's Recommendations**

- \$1 federal funds on an open-ended basis to allow the department access and use of any federal grants.

**DEPARTMENT OF REVENUE  
STATE LOTTERY COMMISSION**

**FINANCIAL SUMMARY**

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Lottery Commission - Operating	\$ 37,168,900	\$ 38,247,339	\$ 43,247,339
Lottery Commission - Prizes	<u>115,306,770</u>	<u>102,000,000</u>	<u>102,000,000</u>
TOTAL	\$ 152,475,670	\$ 140,247,339	\$ 145,247,339
PERSONAL SERVICE	6,930,755	6,993,837	6,993,837
EXPENSE AND EQUIPMENT	145,542,058	133,243,502	138,243,502
PROGRAM SPECIFIC DISTRIBUTION	2,857	10,000	10,000
TOTAL			
Lottery Enterprise Fund	152,475,670	140,247,339	145,247,339
Total Full-time Equivalent Employees	169.19	163.50	158.50
Other Funds	169.19	163.50	158.50

Missouri Constitution Article III, Section 39(b) establishes the Missouri State Lottery to perform six core functions. These functions are: recruit and license Lottery retailers; create, market, and distribute Lottery products; collect revenue from Lottery retailers; pay Lottery prizes and retailer commissions; ensure the security and integrity of Lottery operations and games; and transfer profits monthly to the Lottery Proceeds Fund.

**Fiscal Year 2011 Governor's Recommendations**

- \$5,000,000 Lottery Enterprise Fund for the support of the Lottery.
- (Five) staff core reduction from the Lottery Enterprise Fund from the Fiscal Year 2010 appropriation level.

**LOTTERY ENTERPRISE FUND TRANSFER**

**FINANCIAL SUMMARY**

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Lottery Enterprise Fund	\$ 259,006,284	\$ 260,000,000	\$ 250,000,000

Section 39(b) of Article III of the Missouri Constitution provides for the transfer of net proceeds to the Lottery Proceeds Fund to fund public institutions of elementary, secondary, and higher education.

**Fiscal Year 2011 Governor's Recommendations**

- (\$10,000,000) Lottery Enterprise Fund core reduction from the Fiscal Year 2010 appropriation level.