

FISCAL ESTIMATE FORM

1999 Session

- ORIGINAL UPDATED
- CORRECTED SUPPLEMENTAL

LRB #	99-4150/1
INTRODUCTION #	AB 637
Admin. Rule #	

Subject
Individual Income Tax Exemption for Sales Tax Rebate

Fiscal Effect

State: No State Fiscal Effect
Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

- Increase Existing Appropriation Increase Existing Revenues
- Decrease Existing Appropriation Decrease Existing Revenues
- Create New Appropriation

- Increase Costs - May be Possible to Absorb Within Agency's Budget Yes No
- Decrease Costs

Local: No Local Government Costs

- 1. Increase Costs
 Permissive Mandatory
- 2. Decrease Costs
 Permissive Mandatory

- 3. Increase Revenues
 Permissive Mandatory
- 4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
- Towns Villages Cities
 - Counties Others _____
 - School Districts WTCS Districts

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate:

This bill would exempt from the individual income tax the sales tax rebate that was created by 1999 Wisconsin Act 10. The proposed exemption would have a fiscal effect only to the extent that the rebate is considered income for federal tax purposes. However, because the rebate returns to taxpayers a portion of the sales taxes they previously paid, the rebate should not be considered income subject to tax. Therefore, this bill has no fiscal effect.

Long-Range Fiscal Implications:

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