

FISCAL ESTIMATE FORM

1999 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB # 99-4446/1
INTRODUCTION # SB 357
Admin. Rule #

Subject
Senate Budget Adjustment Bill

Fiscal Effect

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

<input checked="" type="checkbox"/> Increase Existing Appropriation	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be Possible to Absorb Within Agency's Budget <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Decrease Existing Appropriation	<input checked="" type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriation		

Decrease Costs

Local: No Local Government Costs

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input checked="" type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory	5. Types of Local Governmental Units Affected: <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Villages <input checked="" type="checkbox"/> Cities <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others _____ <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected
 GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations
 s. 20.835 (1)(b), (c), (d), and (f)

Assumptions Used in Arriving at Fiscal Estimate:

School Property Tax/Rent Credit

This bill restores, for tax year 2000 and thereafter, the school property tax/rent credit that was eliminated by 1999 Wisconsin Act 10. The credit would be 10% of the first \$2,000 (\$1,000 for married persons filing separately) of property taxes or rent constituting property taxes, up to a maximum credit of \$200 (\$100 for married separate filers).

Based on a simulation using the 1997 Individual Income Tax Model, restoring the school property tax/rent credit at the levels specified above will reduce income tax revenues by \$231 million.

Shared Revenues

Under current law, the appropriations for the various payments referred to as shared revenues are set at specific amounts as determined by the legislature. Under the bill, beginning with payments in 2001 (fiscal year 2001/02), the appropriations will automatically increase at the rate of inflation, as measured by the percentage change in the consumer price index for the year ending June 30 of the year before payment. Thus, payments in 2001 will increase by the percentage change in the consumer price index for the year ending June 30, 2000.

Assuming that the consumer price index for the year ending June 30, 2000 increases by 2%, total appropriations for shared revenues in 2001 will increase by a total of \$20,384,500, as shown below:

Appropriation	Current Amount	2% Increase
20.835 (1)(b): Small community shared revenue	\$ 11,000,000	\$ 220,000
20.835 (1)(c): Expenditure restraint payment	57,000,000	1,140,000
20.835 (1)(d): Shared revenue account	930,459,800	18,609,200
20.835 (1)(f): County mandate payment	20,763,800	415,300
Total		\$20,384,500

Long-Range Fiscal Implications:

Agency/Prepared by: (Name & Phone No.) Wisconsin Department of Revenue Meredith Krejny, (608) 261-8984 Daniel P. Huegel, (608) 266-5705	Authorized Signature/Telephone No. Yeang-Eng Braun (608) 266-2700 <i>Yeang Eng Braun</i>	Date 2/8/00
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FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

1999 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB # - 4446/1

Admin. Rule #

INTRODUCTION # SB 357

Subject
Senate Budget Adjustment Bill

I. One-Time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
A. State Costs by Category	Increased Costs	Decreased Costs
State Operations - Salaries and Fringe	\$	\$ -
(FTE Position Changes)	(FTE)	(- FTE)
State Operations-Other Costs		-
Local Assistance	20,834,500	-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$ 20,834,500	\$ -
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$ 20,834,500	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes	\$	\$ - 231,000,000
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$	\$ - 231,000,000

NET ANNUALIZED FISCAL IMPACT

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ 20,834,500	\$
NET CHANGE IN REVENUES	\$ -231,000,000	\$ 20,834,500

Agency/Prepared by: (Name & Phone No.)	Authorized Signature/Telephone No.	Date
Wisconsin Department of Revenue Meredith Krejny, (608) 261-8984 Daniel P. Huegel, (608) 266-5705	Yeang-Eng Braun <i>Yeang Eng Braun</i> (608) 266-2700	2/8/00