

Fiscal Estimate - 2003 Session

☒ Original ☐ Updated ☐ Corrected ☐ Supplemental

LRB Number 03-1957/2		Introduction Number AB-237	
Subject Funding of budget stabilization fund			
Fiscal Effect			
State:			
<input type="checkbox"/> No State Fiscal Effect			
<input checked="" type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <div style="text-align: right;"><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
		<input type="checkbox"/> Decrease Costs	
Local:			
<input type="checkbox"/> No Local Government Costs			
<input type="checkbox"/> Indeterminate			
1. <input type="checkbox"/> Increase Costs		3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected			
<input type="checkbox"/> Towns		<input type="checkbox"/> Village <input type="checkbox"/> Cities	
<input type="checkbox"/> Counties		<input type="checkbox"/> Others	
<input type="checkbox"/> School Districts		<input type="checkbox"/> WTCS Districts	
Fund Sources Affected			
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS			
Affected Ch. 20 Appropriations			
Agency/Prepared By		Authorized Signature	
DOR/ Karyn Kriz (608) 261-8984		Dennis Collier (608) 266-5773	
		Date	
		4/7/2003	

Fiscal Estimate Narratives

DOR 4/7/2003

LRB Number	03-1957/2	Introduction Number	AB-237	Estimate Type	Original
Subject					
Funding of budget stabilization fund					

Assumptions Used in Arriving at Fiscal Estimate

PRELIMINARY ESTIMATE: Administrative cost estimate not yet available.

This bill would increase from 50% to 100%, the portion of actual tax receipts in excess of projected tax receipts that must be transferred from the general fund to the budget stabilization fund. The bill would also require transfers to continue until the balance of the budget stabilization fund is 11% of the estimated expenditures from the general fund during the fiscal year, rather than 5% as under current law.

In addition, the bill would create a nonrefundable individual income tax budget stabilization fund tax credit, which may be claimed by taxpayers who are eligible for and claim the school property tax credit (SPTC). The credit is available in taxable years in which the balance of the budget stabilization fund is at least 8% of the estimated expenditures from the general fund plus \$100 million.

The amount of money, if any, that would be transferred to the budget stabilization fund in any fiscal year cannot be known until the actual tax receipts for the fiscal year are known.

Further, since the fund's balance is nearly \$0 currently, but would have to exceed \$1 billion under current spending levels before taxpayers would receive a budget stabilization fund tax credit, no credits are likely to be available for several bienniums. Thus, this bill would have no effect on tax revenues in the current biennium. Should the fund permit credits at some time in the future, based on tax year 2001 data on school property tax credits, each \$100 million in funds available would permit an average budget stabilization fund tax credit of \$60.

An estimate of the impact of this bill on the department's operating costs is not yet available.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect



Original



Updated



Corrected



Supplemental

LRB Number 03-1957/2	Introduction Number AB-237	
Subject Funding of budget stabilization fund		
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 funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$	\$
B. State Costs by Source of Funds		
GPR		
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, ets.)		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		
Authorized Signature		Date
DOR/ Karyn Kriz (608) 261-8984		4/7/2003
Dennis Collier (608) 266-5773		