



**Fiscal Estimate Narratives**  
**WHEFA 7/7/2005**

LRB Number <b>05-2699/1</b>	Introduction Number <b>AB-555</b>	Estimate Type <b>Original</b>
<b>Subject</b> Individual and corporate tax credit for certain WHEFA bonds re: educational facility		

**Assumptions Used in Arriving at Fiscal Estimate**

Education bonds issued annually assumed to be \$100 million dollars. \$75 million of these bonds would be held by Wisconsin investors. 7% state tax rate and 5% borrowing costs. These assumptions result in lost state revenue of approx \$262,500 in first year following enactment.

**Long-Range Fiscal Implications**

By the 10th year, newly issued bonds should equal bond redemptions. So maximum fiscal impact \$2,625,000 per annum after the 10th year.

## Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number 05-2699/1</b>		<b>Introduction Number AB-555</b>	
<b>Subject</b>			
Individual and corporate tax credit for certain WHEFA bonds re: educational facility			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
No increased costs, but lost revenues as indicated on estimate.			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes	\$0	0	
(FTE Position Changes)	(0.0 FTE)	(0.0 FTE)	
State Operations - Other Costs	0	0	
Local Assistance	0	0	
Aids to Individuals or Organizations	0	0	
<b>TOTAL State Costs by Category</b>	<b>\$0</b>	<b>\$0</b>	
<b>B. State Costs by Source of Funds</b>			
GPR	0	0	
FED	0	0	
PRO/PRS (0)	0	0	
SEG/SEG-S (0)	0	0	
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
	Increased Rev	Decreased Rev	
GPR Taxes	\$0	\$-262,500	
GPR Earned	0	0	
FED	0	0	
PRO/PRS (0)	0	0	
SEG/SEG-S (0)	0	0	
<b>TOTAL State Revenues</b>	<b>\$0</b>	<b>\$-262,500</b>	
<b>NET ANNUALIZED FISCAL IMPACT</b>			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$0	\$0	
NET CHANGE IN REVENUE	\$-262,500	\$0	
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	
WHEFA/ Larry Nines (262) 792-0466		Larry Nines (262) 792-0466	
		<b>Date</b>	
		5/20/2005	