

Fiscal Estimate Narratives

DHFS 11/17/2005

LRB Number 05-3406/1	Introduction Number AB-622	Estimate Type Original
Subject Tax credit for work provided by community rehabilitation programs		

Assumptions Used in Arriving at Fiscal Estimate

This bill creates an income and franchise tax credit for work provided by a community rehabilitation program to a business that equals 5 percent of the amount the taxpayer paid in the taxable year to a community rehabilitation program to perform work for the taxpayer's business, pursuant to a contract. The maximum amount that a taxpayer may claim in a taxable year is \$25,000 for each rehabilitation program for which the taxpayer enters into a contract to perform work. If the credit claimed by a taxpayer exceeds the taxpayer's tax liability, the state will not issue a refund check, but the taxpayer may carry forward any remaining credit to subsequent taxable years.

This bill would not have a fiscal effect on DHFS or on county human services and social services departments.

Long-Range Fiscal Implications