

### Fiscal Estimate - 2005 Session

Original       Updated       Corrected       Supplemental

<b>LRB Number 05-4285/2</b>		<b>Introduction Number AB-954</b>			
<b>Description</b> An income and franchise tax credit for workplace wellness programs and requiring the exercise of rule-making authority					
<b>Fiscal Effect</b>					
<b>State:</b>					
<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 checked="" type="checkbox"/> Decrease Existing Revenues			
<input type="checkbox"/> Create New Appropriations		<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget			
		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
<input type="checkbox"/> Decrease Costs					
<b>Local:</b>					
<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			
<b>5. Types of Local Government Units Affected</b>					
<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			
<b>Fund Sources Affected</b>		<b>Affected Ch. 20 Appropriations</b>			
<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					
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>		<b>Date</b>	
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## Fiscal Estimate Narratives

DOR 2/8/2006

LRB Number	<b>05-4285/2</b>	Introduction Number	<b>AB-954</b>	Estimate Type	<b>Original</b>
<b>Description</b> An income and franchise tax credit for workplace wellness programs and requiring the exercise of rule-making authority					

### Assumptions Used in Arriving at Fiscal Estimate

The bill would create an income and franchise tax credit for amounts spent by employers to provide workplace wellness programs to employees. The credit would be available for three years for an amount equal to the amount paid in the taxable year for the program and would begin with the first year that the claimant provided a workplace wellness program.

A workplace wellness program is a health and fitness program that could include smoking cessation, weight management, stress management, health risk assessments, health screenings, nutrition education, and health and fitness incentive programs. The Department is authorized to further define a workplace wellness program by rule.

The bill states that the maximum amount of credits that may be claimed is \$2 million per taxable year.

The estimated fiscal effect of the bill is at least \$2 million, the annual cap stated in the bill. However, because the bill does not contain criteria for determining how the annual cap is to be allocated, it is unclear how the department would deny claims. As such, the fiscal effect could be significantly higher.

### Long-Range Fiscal Implications