

Fiscal Estimate - 2007 Session

Original Updated Corrected Supplemental

LRB Number 07-3352/2		Introduction Number SB-299	
Description Distribution of a portion of the school levy tax credit			
Fiscal Effect			
State:			
<input checked="" type="checkbox"/> No State Fiscal Effect			
<input 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	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<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 checked="" type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input checked="" type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory	
		5. Types of Local Government Units Affected	
		<input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities	
		<input type="checkbox"/> Counties <input type="checkbox"/> Others	
		<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
Fund Sources Affected		Affected Ch. 20 Appropriations	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS			
Agency/Prepared By		Authorized Signature	Date
DPI/ Michael Bormett (608) 266-2804		Michael Bormett (608) 266-2804	11/6/2007

Fiscal Estimate Narratives

DPI 11/6/2007

LRB Number	07-3352/2	Introduction Number	SB-299	Estimate Type	Original
Description Distribution of a portion of the school levy tax credit					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, the majority of general school aids are distributed to school districts based on the relative fiscal capacity of each school district, as measured by the school district's per pupil value of taxable property. The school levy tax credit is distributed to municipalities based on each municipality's share of statewide tax levies for school purposes during the preceding three years, and allocated proportionately to reduce each property owner's tax bill.

This bill requires that \$79,350,000 of the total amount to be distributed as the school levy tax credit in 2008 (\$672,400,000) be distributed using the formula for the distribution of general school aid instead of the method used for the balance of the school levy tax credit. Amounts distributed under the bill are still allocated proportionately to reduce each property owner's tax bill.

State Fiscal Effect:

This bill has no fiscal effect on the department.

Local Fiscal Effect:

There is no direct fiscal effect on school districts. This bill does not affect any individual district's revenue limit nor the amount of local school taxes a district may levy.

This bill does not change the total amount of school levy tax credit to be distributed. However, by changing the distribution formula, there will be a redistribution effect on the amounts allocated to municipalities to reduce each property owner's tax bill. Some property owners' levy credit will increase while others will decrease.

Long-Range Fiscal Implications