



## Fiscal Estimate Narratives

DOR 1/27/2010

LRB Number	<b>09-3706/1</b>	Introduction Number	<b>SB-444</b>	Estimate Type	<b>Original</b>
<b>Description</b> Extending the time period to claim a refund for an individual who is affected by a period of financial disability					

### Assumptions Used in Arriving at Fiscal Estimate

Under current Wisconsin law, an individual may only file a claim for an income tax refund if it is filed within four years of the unextended due date of the return.

Under this bill the four year limitation does not apply to a period of financial disability. A period of financial disability is defined as a medically determinable physical or mental impairment that prevents an individual from managing his or her financial affairs. The bill requires that the refund claim include a statement from the individual's physician and the filer must specify that no other individual, such as a spouse, guardian, or agent, was able to act on the individual's behalf in financial matters. The claim and statements must be filed within four years of the end of the period of financial disability.

It is estimated that an additional \$600,000 to \$1 million would be claimed in refunds if additional time was allowed beyond the four years. Data are not available to estimate the share of these refunds that would be claimed under this bill. As an illustration, however, if it is assumed that five percent of these refunds would be claimed when the financial disabilities end, the fiscal effect of the bill would be \$30,000 to \$50,000 annually.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 09-3706/1		<b>Introduction Number</b> SB-444	
<b>Description</b> Extending the time period to claim a refund for an individual who is affected by a period of financial disability			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<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	\$		\$
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>	<b>\$</b>		<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
<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	\$		\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>	<b>\$</b>		<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
	State		Local
NET CHANGE IN COSTS	\$		\$
NET CHANGE IN REVENUE	\$SeeText		\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	
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		<b>Date</b>	
		1/27/2010	