

Fiscal Estimate - 2009 Session

Original Updated Corrected Supplemental

| | | | |
|---|--|---------------------------------------|-------------|
| LRB Number 09-4685/1 | | Introduction Number SB-692 | |
| Description An income and franchise tax credit for investments in a community development financial institution and granting rule-making authority | | | |
| Fiscal Effect | | | |
| State: | | | |
| <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="checked" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="checked" type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <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 type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <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 20.143 (1) (a) | | | |
| Agency/Prepared By | | Authorized Signature | Date |
| COMM/ Louie Cornelius (608) 266-8629 | | Louie Cornelius (608) 266-8629 | 4/21/2010 |

Fiscal Estimate Narratives

COMM 4/21/2010

| | | | | | |
|--|-----------|---------------------|--------|---------------|----------|
| LRB Number | 09-4685/1 | Introduction Number | SB-692 | Estimate Type | Original |
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Assumptions Used in Arriving at Fiscal Estimate

Under this bill, certified persons who make certain investments in certain federally certified community development financial institutions (CDFI) may claim a credit on their income or franchise taxes. Commerce has the following responsibilities under the bill:

1. Register CDFIs that have been federally certified and that have been organized under Wisconsin law and use qualified investments for projects based in Wisconsin.
2. Certify persons to claim the credit who make qualified investments in CDFIs. A qualified investment is a deposit or loan that is at least \$10,000, pays no interest, and is made for a period of at least 60 months.
3. Notify the Department of Revenue of all certifications and registrations.

Commerce will not be able to accomplish these responsibilities within existing budget authority. The required rule promulgation, processing of certification and registration applications, and verifications of all information contained in those applications will require 1.0 FTE position. This position will have the following costs:

Salary \$44,900
Fringe \$20,500
Supplies \$ 8,000

TOTAL \$73,400

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

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 Updated
 Corrected
 Supplemental

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|--|-----------------|--|-----------------|
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| Description An income and franchise tax credit for investments in a community development financial institution and granting rule-making authority | | | |
| I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): | | | |
| II. Annualized Costs: | | Annualized Fiscal Impact on funds from: | |
| | | Increased Costs | Decreased Costs |
| A. State Costs by Category | | | |
| State Operations - Salaries and Fringes | \$65,400 | | \$ |
| (FTE Position Changes) | (1.0 FTE) | | |
| State Operations - Other Costs | 8,000 | | |
| Local Assistance | | | |
| Aids to Individuals or Organizations | | | |
| TOTAL State Costs by Category | \$73,400 | | \$ |
| B. State Costs by Source of Funds | | | |
| GPR | 73,400 | | |
| FED | | | |
| PRO/PRS | | | |
| SEG/SEG-S | | | |
| III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.) | | | |
| | Increased Rev | | Decreased Rev |
| GPR Taxes | \$ | | \$ |
| GPR Earned | | | |
| FED | | | |
| PRO/PRS | | | |
| SEG/SEG-S | | | |
| TOTAL State Revenues | \$ | | \$ |
| NET ANNUALIZED FISCAL IMPACT | | | |
| | State | | Local |
| NET CHANGE IN COSTS | \$73,400 | | \$ |
| NET CHANGE IN REVENUE | \$ | | \$ |
| Agency/Prepared By | | Authorized Signature | Date |
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