

Fiscal Estimate Narratives

DOR 12/15/2011

LRB Number 11-3141/1	Introduction Number AB-0407	Estimate Type Original
Description Creating an individual income tax deduction for certain amounts paid for sewer, water, and garbage collection fees		

Assumptions Used in Arriving at Fiscal Estimate

This bill creates an income tax deduction for amounts paid by an individual for sewer, storm sewer, water, and garbage collection fees on his or her primary residence located in Wisconsin.

Using data from 2009 municipal and county finance forms, it is estimated that these fees were approximately \$1.37 billion in 2009, of which approximately \$782 million was residential. The average marginal rate for resident non-dependent filers in 2009 was 5.13%. Applying the average marginal rate, the bill is estimated to reduce revenue by \$40.1 million annually beginning in fiscal year 2013.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2011 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description Creating an individual income tax deduction for certain amounts paid for sewer, water, and garbage collection fees			
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	\$		\$
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$		\$
B. State Costs by Source of Funds			
GPR			
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	\$	\$-40,100,000	
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$	\$-40,100,000	
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$	\$	
NET CHANGE IN REVENUE	\$-40,100,000	\$	
Agency/Prepared By			
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			Date
			12/15/2011