

Fiscal Estimate Narratives

WEDC 11/29/2011

LRB Number	11-3099/2	Introduction Number	SB-291	Estimate Type	Original
Description Authorizing the sale or transfer of tax credits in counties experiencing high rates of unemployment					

Assumptions Used in Arriving at Fiscal Estimate

This bill directs the Wisconsin Economic Development Corporation (WEDC) to create a program for the sale or transfer of tax credits awarded by either the WEDC or, beginning after January 1, 2011, by the former Department of Commerce. Under the bill, the WEDC may authorize the sale or transfer of a portion of a tax credit if the WEDC determines that the activity for which WEDC or Commerce awarded the tax credit is substantially related to economic development in counties experiencing persistent high rates of unemployment, called "qualifying counties" under the bill, and the person meets additional considerations.

Once the WEDC authorizes a person to sell or transfer a tax credit, that person may sell or transfer up to 85 percent of the tax credit.

The WEDC may authorize up to \$10,000,000 in partial tax credits over five-years. If after five years, the WEDC determines that an extension of the program will support economic development, an additional 5 years and \$10,000,000 extension may be requested.

The WEDC will be able to administer this program within current resources.

Long-Range Fiscal Implications