

Fiscal Estimate Narratives

WEDC 8/27/2013

LRB Number	13-2790/1	Introduction Number	SB-260	Estimate Type	Original
Description Allowing refunds for the early stage seed and angel investment tax credits and having the Department of Administration administer the credits and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

2013 Senate Bill 260 contains two provisions: Adding refundability to the Early Stage Seed and Angel Investment Tax Credits and transferring administrative responsibility from the Wisconsin Economic Development Corporation to the Department of Administration.

The Early Stage Seed and Angel Investment programs allow eligible investors to claim a 25% tax credit on investments into certified early stage companies. The program was created in 2005 Act 255 and, since inception, has been operated by the Department of Commerce, and later WEDC. Under WEDC's administration, the program certified 44 new companies as eligible investment opportunities and certified \$12.1 Million in tax credits, which leveraged \$48 Million in private investments into Wisconsin businesses in 2012. Since 2005, the program has distributed \$58.8 million in tax credits and attracted \$916 Million in capital investments into new technologies in Wisconsin.

Neither provision to add refundability or transfer administrative responsibility to DOA has a fiscal impact on WEDC.

Long-Range Fiscal Implications