

Fiscal Estimate - 2015 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 15-0931/1	Introduction Number AB-1017
Description Establishing college savings accounts for children born in this state and making an appropriation	
Fiscal Effect	
State:	
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate	
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
Local:	
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate	
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
Fund Sources Affected	
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.505(1)(e)	
Affected Ch. 20 Appropriations	
Agency/Prepared By DOR/ Bradley Caruth (608) 261-8984	Authorized Signature Michael Wagner (608) 266-6785
Date 4/7/2016	

Fiscal Estimate Narratives

DOR 4/7/2016

LRB Number	15-0931/1	Introduction Number	AB-1017	Estimate Type	Original
Description Establishing college savings accounts for children born in this state and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

This bill requires the Department of Administration (DOA) to establish a college savings account, and to contribute \$150 to the account, for each child born in this state if at least one of the child's parents is a resident of this state.

Wisconsin allows an income tax deduction for amounts contributed to a college savings account, but not more than \$3,100 per beneficiary in 2016. Because DOA is required to make the \$150 contributions under this bill, there will be no corresponding tax deductions as there would be if the contributions were made by individuals. Moreover, because DOA is the designated account owner in each case, designated beneficiaries may not simply withdraw the \$150 from the account.

The bill is likely to increase the public profile and exposure to college savings accounts, it may also affect individual contributions to the accounts. To the extent that the DOA contributions encourage or discourage individuals from making additional contributions, the bill may also increase or decrease the tax effect of the current law income tax deduction for contributions.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

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LRB Number 15-0931/1	Introduction Number AB-1017	
Description Establishing college savings accounts for children born in this state and making an appropriation		
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	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$See Text	\$
Agency/Prepared By		
Authorized Signature		Date
DOR/ Bradley Caruth (608) 261-8984		Michael Wagner (608) 266-6785
		4/7/2016