

Fiscal Estimate - 2015 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 15-4570/1	Introduction Number AB-0949
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Description
 Sales and use tax exemption for feminine hygiene products

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Indeterminate	<input checked="" type="checkbox"/> Decrease Existing Revenues	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs	5. Types of Local Government Units Affected	
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Towns	<input type="checkbox"/> Village
1. <input type="checkbox"/> Increase Costs	<input checked="" type="checkbox"/> Counties	<input checked="" type="checkbox"/> Others
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> School Districts	<input type="checkbox"/> WTCS Districts
2. <input type="checkbox"/> Decrease Costs		<input type="checkbox"/> Cities <u>Stadium District</u>
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		
3. <input type="checkbox"/> Increase Revenue		
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		
4. <input checked="" type="checkbox"/> Decrease Revenue		
<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory		

Fund Sources Affected	Affected Ch. 20 Appropriations
<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	

Agency/Prepared By DOR/ Travis Arthur (608) 266-8565	Authorized Signature Robert Schmidt (608) 266-5773	Date 3/1/2016
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Fiscal Estimate Narratives

DOR 3/1/2016

LRB Number 15-4570/1	Introduction Number AB-0949	Estimate Type Original
Description Sales and use tax exemption for feminine hygiene products		

Assumptions Used in Arriving at Fiscal Estimate

The bill creates a sales and use tax exemption for the purchase of feminine hygiene products.

Based on industry data gathered by Information Resources Inc. (IRI), U.S. sales of feminine hygiene products are estimated to be \$3.04 billion in 2017. Using census data, the department estimates the Wisconsin share of the U.S. female population to be 1.8%. The department estimates Wisconsin sales of feminine hygiene products to be \$54.3 million ($\$3.04 \text{ billion} * 1.8\%$) in 2017.

It is estimated that sales tax collections will decrease under the bill by \$2.7 million ($\$54.3 \text{ million} * 5\%$) on an annual basis.

County and stadium district sales taxes are estimated to be 7.6% of state sales tax revenues in FY16. Assuming this percentage does not change, county and stadium district sales taxes will decrease by about \$205,700 ($\$2.7 \text{ million} * 7.6\%$) per year.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

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Description Sales and use tax exemption for feminine hygiene products			
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, ets.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$-2,700,000
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues		\$	\$-2,700,000
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$-2,700,000	-\$205,700
Agency/Prepared By		Authorized Signature	
DOR/ Travis Arthur (608) 266-8565		Robert Schmidt (608) 266-5773	
		Date	
		3/1/2016	