

Fiscal Estimate Narratives

DOR 3/8/2016

LRB Number	15-4758/1	Introduction Number	AB-0974	Estimate Type	Original
Description Sales and use tax exemption for material used to construct a war memorial owned by a veterans organization					

Assumptions Used in Arriving at Fiscal Estimate

The bill creates a sales and use tax exemption for the purchase of building materials used in the construction of a war memorial by a veterans organization described in section 501 (c) (19) of the Internal Revenue Code. The exemption applies to purchases made by owners, lessees, contractors, subcontractors, or builders who purchase the building materials, supplies, and equipment used solely in the construction of the memorial.

No aggregate financial data exists for the construction of war memorials by veterans organizations. For illustrative purposes, the department obtained the estimated cost of the Brooklyn, Wisconsin Veterans Memorial. Using an estimated cost of \$110,000 and assuming material costs of 50%, the amount subject to tax would be \$55,000. This would result in a minimal revenue decrease (\$2,750).

The overall fiscal impact depends on the number and scale of war memorials built in a given year.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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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
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