

Fiscal Estimate - 2017 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 17-5624/1	Introduction Number AB-1063	
Description Sales tax on planning and counseling services for the restoration, reclamation, or revitalization of prairie, savanna, or wetlands		
Fiscal Effect State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local: <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input checked="" type="checkbox"/> Decrease Revenue <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Others <u>Baseball District</u> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
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 Jamie Adams (608) 266-6785	Date 3/26/2018

Fiscal Estimate Narratives

DOR 3/26/2018

LRB Number	17-5624/1	Introduction Number	AB-1063	Estimate Type	Original
Description Sales tax on planning and counseling services for the restoration, reclamation, or revitalization of prairie, savanna, or wetlands					

Assumptions Used in Arriving at Fiscal Estimate

The bill excludes from taxable landscaping services the planning and counseling services for the restoration, reclamation, or revitalization of prairie, savanna, or wetlands, if such services are provided for a separate and optional fee distinct from other services.

According to the Census Bureau's 2012 Economic Census, Wisconsin sales of landscape architectural services for recreational and open space projects (Product Line 37060), totaled \$4.3 million in 2012. Based on data from Wisconsin sales and use tax returns, taxable sales for landscape architectural services (NAICS 541320 – the primary sales location of product line 37060) increased 13% from 2012 to 2017. Assuming Wisconsin sales of product line 37060 increased at the same rate, the department estimates that the proposed exclusion would reduce sales tax revenue by \$243,000 on an annual basis.

County and stadium taxes were 7.6% of state sales tax in FY17. Assuming this percentage does not change, county and stadium sales and use taxes would decrease by about \$18,500 ($\$243,000 * 7.6\%$) annually.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2017 Session

Detailed Estimate of Annual Fiscal Effect

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Description Sales tax on planning and counseling services for the restoration, reclamation, or revitalization of prairie, savanna, or wetlands		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
II. Annualized Costs:		
	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	\$	\$-243,000
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	\$	\$-243,000
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$-243,000	-\$18,500
Agency/Prepared By		
Authorized Signature		Date
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		3/26/2018