

Fiscal Estimate - 2017 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 17-5180/1	Introduction Number AB-0883	
Description the creation of a local exposition district by the City of Superior or the City of Eau Claire		
Fiscal Effect		
State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input checked="" type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input checked="" 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 checked="" type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input checked="" 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 type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input checked="" type="checkbox"/> Others <u>Expo</u> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts <u>Districts</u>		
Fund Sources Affected Affected Ch. 20 Appropriations <input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.566(1)(gg)		
Agency/Prepared By DOR/ Mike Miller (608) 266-8133	Authorized Signature Robert Schmidt (608) 266-5773	Date 1/30/2018

Fiscal Estimate Narratives

DOR 1/30/2018

LRB Number	17-5180/1	Introduction Number	AB-0883	Estimate Type	Original
Description the creation of a local exposition district by the City of Superior or the City of Eau Claire					

Assumptions Used in Arriving at Fiscal Estimate

The bill permits the cities of Eau Claire and Superior to establish local exposition districts similar to that of the Milwaukee Exposition District. The districts would be permitted to impose a food and beverage tax of 0.25% or 0.5% and a room tax subject to a maximum rate of 2.0%.

The local fiscal effect depends on the taxes imposed and the rates set by the districts.

Based on the ratio of food and beverage tax collections to general county sales tax collections in Milwaukee County, US Census Bureau information on the share of county retail sales that occur within the cities, and county sales tax collections for Eau Claire and Douglas counties, the department estimates that a 0.25% food and beverage tax could generate \$600,000 for the City of Eau Claire and \$210,000 for the City of Superior.

Based on current room tax collections and rates in the cities of Eau Claire and Superior, the department estimates that a 2.0% room tax would generate \$470,000 in room tax collections for the City of Eau Claire and \$160,000 for the City of Superior.

The bill would result in a one-time administrative cost of \$21,330. Under current law, the department administers the local food and beverage tax with the support of a 2.55% administrative fee. Ongoing administrative costs would be covered by the fee revenue.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2017 Session

Detailed Estimate of Annual Fiscal Effect

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LRB Number 17-5180/1	Introduction Number AB-0883	
Description the creation of a local exposition district by the City of Superior or the City of Eau Claire		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): \$21,330 for developing and testing changes to tax processing systems.		
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/ Mike Miller (608) 266-8133	Robert Schmidt (608) 266-5773	1/30/2018