

Fiscal Estimate Narratives

DOR 1/8/2020

LRB Number 19-4818/1	Introduction Number AB-0703	Estimate Type Original
Description a sales and use tax exemption for building materials that become a part of a facility for the University of Wisconsin Hospital and Clinics Authority		

Assumptions Used in Arriving at Fiscal Estimate

The bill provides a sales and use tax exemption for tangible personal property sold to a construction contractor who transfers the property to the University of Wisconsin Hospitals and Clinics Authority (UWHCA) as part of constructing a facility for the authority in this state.

The UWHCA is able to purchase such materials without tax under current law. The bill extends the exemption to the contractors making the materials purchases that are currently not subject to tax. As a result of current law and purchasing practices by UWHCA, there is no reduction in state and local sales tax revenue as a result of the bill.

Long-Range Fiscal Implications