FISCAL ESTIMATE FORM			199	99 Session		
		. <b>RB #</b> 99-4638				
☐ ORIGINAL ☐ UPDA	red []	NTRODUCTION	# AB 937			
☐ CORRECTED ☐ SUPP	LEMENTAL A	dmin. Rule#				
Subject						
Exempt Dry Cleaning Equipment and Chemicals from Property Tax  Fiscal Effect						
State: No State Fiscal Effect						
	if bill makes a direct appro n	oriation or affects a	✓ Increase Costs - May Within Agency's Budg			
☐ Increase Existing Appropriation ☐ Increase Existing Revenues						
☐ Decrease Existing Appropriation ☐ Decrease Existing Revenues			D Doorooo Cooto			
Create New Appropriation		☐ Decrease Costs				
Local: No Local Government Cos		venues	5 Types of Legal Governme	ontal I Inite Affactad		
		verides /e				
2. ☐ Decrease Costs	4. Decrease R	_	☐ Counties    ☐ Others    ☐ Special districts			
☐ Permissive ☐ Mandatory	_	tive Mandatory School District				
Fund Sources Affected			Appropriations			
☐ GPR ☐ FED ☐ PRO ☐ PRS ☒ SEG ☐ SEG-S						
Assumptions Used in Arriving at Fis	cal Estimate:			:		
The bill exempts dry cleaning equipment and chemicals from property tax.						
According to the Wisconsin dry cleaners association, most of the 340 dry cleaning plants in the state have 1 or 2 dry cleaning machines, each costing about \$40,000. Assuming the average plant has 1.5 machines that are 50% depreciated, about $$10,200,000 ($40,000 \times 340 \times 1.5 \times 50\%)$ of dry cleaning equipment would be exempted under the bill.						
According to a manufacturer, dry cleaning chemicals cost about \$2.70 per gallon. Assuming each of the 340 dry cleaning plants reports a 55-gallon drum of dry cleaning chemicals as of January 1, about \$50,000 (340 $\times$ 55 $\times$ \$2.70) of dry cleaning chemicals would be exempt under the bill.						
Based on the foregoing assumptions, the bill exempts about $$10,250,000 ($10,200,000 + $50,000)$ of dry cleaning equipment and chemicals. Assuming an average statewide net tax rate of \$22 per \$1,000 of value, about \$226,000 (\$10,250,000 x 0.022) would be shifted from owners of dry cleaning equipment to owners of other taxable property under the bill.						
SEG state forestry taxes would decrease by about \$2,100 (\$10,250,000 x 0.0002) under the bill.						
The bill would require minor revisions to the Wisconsin Property Assessment Manual. The costs of the revisions would be absorbed.						
Long-Range Fiscal Implications:						
Long Traingo Floodi Improcasorio				,		
A	- No Y	d Cianatura/Talanha	ne No	Date		
Agency/Prepared by: (Name & Phon	•	d Signature/Telepho	iie NO.	Date		
Wisconsin Department of Revenue	Yeang-En	g Braun ULan	of Of Brann	3/24/00		
Blair P. Kruger, (608) 266-1310	(608) 266-					

FISCAL ESTIMATE WORKSHEET	Detailed Estimate of Annu	al Fiscal Effect	1999 Session	
□ UPDATED	☐ UPDATED		Admin. Rule #	
☐ CORRECTED ☐ SUPPLEMENTAL	INTRODUCTION #	AB 937		
Subject Exempt Dry Cleaning Equipm	ent and Chemicals from Pro	nerty Tax		
			· · · · · · · · · · · · · · · · · · ·	
I. One-Time Costs or Revenue Impacts for State and	or Local Government (do not includ	ie in annualized fiscal et	Tect):	
See text  II. Annualized Costs:		Annualized Figeal imp	act on State funds from:	
II. Affilialized Costs.				
A. State Costs by Category		Increased Costs	Decreased Costs	
State Operations - Salaries and Fringe		\$		
(FTE Position Changes)		( FTE)	(- FTE)	
State Operations-Other Costs		-		
Local Assistance		·	-	
Aids to Individuals or Organizations	1		-	
TOTAL State Costs by Category	\$	\$ -		
B. State Costs by Source of Funds	Increased Costs	Decreased Costs		
GPR	<del></del>	\$	\$ -	
FED			-	
PRO/PRS		<u> </u>	-	
SEG/SEG-S			-	
III. State Revenues - Complete this only when proposerevenues (e.g., tax increase, de	sal will increase or decrease state	Increased Rev.	Decreased Rev.	
revenues (e.g., ax morease, ac				
000.7		\$	  s -	
GPR Taxes		"	Ψ-	
GPR Earned				
FED			•	
PRO/PRS			-	
SEG/SEG-S	State forestry taxes		- 2,100	
TOTAL State Revenues		\$	\$ -	
			•	
N	ET ANNUALIZED FISCAL IMPACT			
	STATE	•	LOCAL	
T CHANGE IN COSTS \$		<u>\$</u>		
NET CHANGE IN REVENUES	\$ -2,100			
Agency/Prepared by: (Name & Phone No.)	Authorized Signature/Telephone	No.	Date	
Miles and in Department of Poyonus Vegng-Eng Braun				
•	Yea	ing by Brain	3/24100	
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