

FISCAL ESTIMATE FORM

1999 Session

- ORIGINAL UPDATED
- CORRECTED SUPPLEMENTAL

LRB # 99-3733/1

INTRODUCTION # SB 285

Admin. Rule #

Subject

Individual Income Tax Exemption for Pensions Received by Retirees Who Taught in Another State

Fiscal Effect

State: No State Fiscal Effect
 Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

Increase Costs - May be Possible to Absorb
 Within Agency's Budget Yes No

- Increase Existing Appropriation Increase Existing Revenues
- Decrease Existing Appropriation Decrease Existing Revenues
- Create New Appropriation

Decrease Costs

Local: No Local Government Costs

- 1. Increase Costs
 Permissive Mandatory
- 2. Decrease Costs
 Permissive Mandatory

- 3. Increase Revenues
 Permissive Mandatory
- 4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
- Towns Villages Cities
 - Counties Others _____
 - School Districts WTCS Districts

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate:

This bill would create an income tax exemption for teacher retirement benefits received by persons who were residents of Wisconsin on December 31, 1963, and who taught in another state. The revenue loss from this bill cannot be estimated because it is not known how many persons would qualify for it. The loss could be more than minimal if it provided an average tax reduction similar to that allowed under the existing exemption for certain Milwaukee city and county, and state teacher retirement system pensions. According to the 1997 Wisconsin individual income tax model, the tax savings for persons qualifying for that exemption averaged \$1,800.

Long-Range Fiscal Implications:

| Agency/Prepared by: (Name & Phone No.) | Authorized Signature/Telephone No. | Date |
|---|--|----------|
| Wisconsin Department of Revenue Dennis Collier, (608) 266-5773 | Yeang-Eng Braun (608) 266-2700 <i>Yeang-Eng Braun</i> | 11/15/99 |

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

1999 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB # 99-3733/1
INTRODUCTION # SB 285

Admin. Rule #

Subject

Individual Income Tax Exemption for Pensions Received by Retirees Who Taught in Another State

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 State funds from: | |
|---|---|---------------------|
| 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 | | - |
| TOTAL State Costs by Category | \$ | \$ - |
| B. State Costs by Source of Funds | Increased Costs | Decreased Costs |
| 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 | \$ | \$ - Unknown |
| GPR Earned | | - |
| FED | | - |
| PRO/PRS | | - |
| SEG/SEG-S | | - |
| TOTAL State Revenues | \$ | \$ - unknown |

NET ANNUALIZED FISCAL IMPACT

| | <u>STATE</u> | <u>LOCAL</u> |
|------------------------|-----------------------------|--------------|
| NET CHANGE IN COSTS | \$ _____ | \$ _____ |
| NET CHANGE IN REVENUES | \$ Unknown revenue decrease | \$ _____ |

| Agency/Prepared by: (Name & Phone No.) | Authorized Signature/Telephone No. | Date |
|---|--|----------|
| Wisconsin Department of Revenue Dennis Collier, (608) 266-5773 | Yeang-Eng Braun (608) 266-2700 <i>Yeang Eng Braun</i> | 11/15/99 |