

FISCAL ESTIMATE FORM

1999 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

| |
|------------------------------|
| LRB # 99-4197/1 |
| INTRODUCTION # AB 696 |
| Admin. Rule # |

Subject
 Restore School Property Tax Rent Credit of 15.4% for Tax Year 2000

Fiscal Effect

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

| | | |
|--|--|---|
| <input type="checkbox"/> Increase Existing Appropriation | <input type="checkbox"/> Increase Existing Revenues | <input type="checkbox"/> Increase Costs - May be Possible to Absorb Within Agency's Budget <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Decrease Existing Appropriation | <input checked="" type="checkbox"/> Decrease Existing Revenues | |
| <input type="checkbox"/> Create New Appropriation | <input type="checkbox"/> Decrease Costs | |

Local: No Local Government Costs

| | | |
|--|---|--|
| 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 5. Types of Local Governmental Units Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others _____ <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |
| 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | |

| | |
|--|---------------------------------------|
| Fund Sources Affected <input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S | Affected Ch. 20 Appropriations |
|--|---------------------------------------|

Assumptions Used in Arriving at Fiscal Estimate:

This bill restores, for tax year 2000 only, the school property tax/rent credit that was eliminated by 1999 Wisconsin Act 10. The credit would be 15.4% of the first \$2,500 (\$1,250 for married persons filing separately) of property taxes or rent constituting property taxes, up to a maximum credit of \$385 (\$193 for married separate filers).

Based on a simulation using the 1997 Individual Income Tax Model, restoring the school property tax/rent credit on a one-time basis at the levels specified above will reduce income tax revenues by \$390 million in tax year 2000.

Long-Range Fiscal Implications:

| | | |
|---|--|--------------------------|
| Agency/Prepared by: (Name & Phone No.) Wisconsin Department of Revenue Meredith Krejny, (608) 261-8984 | Authorized Signature/Telephone No. Yeang-Eng Braun <i>Yeang Eng Braun</i> (608) 266-2700 | Date 2/14/2000 |
|---|--|--------------------------|

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

1999 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB # 99-4197/1
INTRODUCTION # AB 696

Admin. Rule #

Subject

Restore School Property Tax Rent Credit of 15.4% for Tax Year 2000

I. One-Time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

- \$390 million state GPR taxes in FY 01.

| 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 | \$ | \$ - |
| GPR Earned | | - |
| FED | | - |
| PRO/PRS | | - |
| SEG/SEG-S | | - |
| TOTAL State Revenues | \$ | \$ - |

NET ANNUALIZED FISCAL IMPACT

STATE

LOCAL

| | | |
|------------------------|----------|----------|
| NET CHANGE IN COSTS | \$ _____ | \$ _____ |
| NET CHANGE IN REVENUES | \$ _____ | \$ _____ |

| | | |
|--|---|-----------|
| Agency/Prepared by: (Name & Phone No.) | Authorized Signature/Telephone No. | Date |
| Wisconsin Department of Revenue Meredith Krejny, (608) 261-8984 | Yeang-Eng Braun <i>Yeang Eng Braun</i> (608) 266-2700 | 2/14/2000 |