

FISCAL ESTIMATE FORM

1999 Session

- ORIGINAL UPDATED
- CORRECTED SUPPLEMENTAL

| |
|--|
| LRB # - 3848/1 |
| INTRODUCTION # October 1999 SS AB 2 |
| Admin. Rule # |

Subject
Individual Income Tax Exemption for Sales Tax Rebate

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 exempt from the individual income tax the sales tax rebate that would be created by October 1999 Special Session Assembly Bill 1. The proposed exemption would have a fiscal effect only to the extent that the rebate is considered income for federal tax purposes. However, because the rebate returns to taxpayers a portion of the sales taxes they previously paid, the rebate should not be considered income subject to tax. Therefore, this bill has no fiscal effect.

Long-Range Fiscal Implications:

| | | |
|---|---|-----------------|
| Agency/Prepared by: (Name & Phone No.) Wisconsin Department of Revenue Dennis Collier, (608) 266-5773 | Authorized Signature/Telephone No. Yeang-Eng Braun (608) 266-2700 <i>Yeang Eng Braun</i> | Date 11/1/99 |
|---|---|-----------------|