

FISCAL ESTIMATE FORM

1999 Session

- ORIGINAL
- CORRECTED
- UPDATED
- SUPPLEMENTAL

LRB # - 3909/1

INTRODUCTION # Oct. 1999 Spec. Sess. AB 3

Admin. Rule #

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

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:

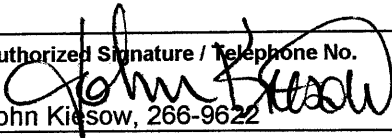
This bill modifies 1999 Special Session Assembly Bill 1 which allows a claimant to receive a onetime sales tax rebate. The bill prohibits state agencies from considering receipt by an individual of the sales tax rebate in determining the individual's eligibility for a state-funded grant, loan, monetary assistance or other benefit in determining the amount or extent of that grant, loan, monetary assistance or other benefit. In addition, the bill directs the Department to request a waiver of federal Medicaid laws to authorize the Department to disregard receipt of the sales tax rebate in determining eligibility for Medicaid.

Current eligibility policy for "tax refunds" as reflected in the Medicaid Handbook is that income tax refund checks are counted as an asset in the month received and beyond (if retained). There is no policy about refunds of sales taxes. The Department, therefore, could modify policy to permit the disregard of these one-time sales tax payments. To do so, the Department will submit a state plan amendment under §1902(r)(2) in the current quarter that would exempt the amount of the sales tax rebate payment to the individual or family in determining Medicaid eligibility. Since there is no 'cap' in 1903(f)(3) on asset exclusions or disregard, the federal government would sign the amendment.

There would be no fiscal effect on Medicaid, since the Department would continue to cover the same individuals that are currently covered.

Long-Range Fiscal Implications:

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John Kiesow, 266-9622

Date
11/9/99

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Subject

Overtime Sales Tax Rebate

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):
None.

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	\$ -
(FTE Position Changes)	(FTE)	(- FTE)
State Operations - Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$ 0	\$ -0
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
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	\$0	\$ -0

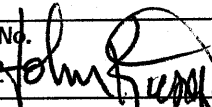
NET ANNUALIZED FISCAL IMPACT

STATE

LOCAL

NET CHANGE IN COSTS \$0 _____ \$0 _____

NET CHANGE IN REVENUES \$0 _____ \$0 _____

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