

**FISCAL ESTIMATE FORM**

**1999 Session**

- ORIGINAL     UPDATED
- CORRECTED     SUPPLEMENTAL

<b>LRB # - 3860/1</b>
<b>INTRODUCTION # SB 276</b>
<b>Admin. Rule #</b>

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

- Increase Costs - May be Possible to Absorb Within Agency's Budget  Yes  No
- 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 LRB 3861/1. 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:**

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