

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

FISCAL ESTIMATE
 DOA-2048 N(R1298)

Subject
 Sales tax on sales of lists.

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

Key Assumptions

- SB 387 would require WisDOT to charge sales tax to purchasers of information lists used for commercial purposes.
- The definition of "data list" includes any request for any number of records for commercial use including requests for individual records but does not include individuals who request their own record for non-commercial purposes.
- WisDOT does not differentiate between commercial requests and non-commercial requests in terms of record keeping but estimate that non-commercial requests make up less than 5% of total sales.
- DMV collects sales tax on some items today and therefore our systems and processes would be able to accommodate this change with no measurable impact.
- Despite the Supreme Court decision upholding the Driver Privacy Protection Act (DPPA), WisDOT estimates little if any impact on information sales due to the wide range of exemptions in DPPA.

Conclusion

- \$440 One time cost increase for computer programming modifications to automated billing systems.
- \$450,000 ongoing revenue increase to the **general fund** for collection of sales tax on approximately \$9,000,000 in WisDOT sales of data lists. *Note: In addition, we will collect an indeterminable amount of county sales tax and stadium tax based on the location of the requester.*
- There is an indeterminable cost and revenue impact on local government.

Basis for Conclusion

- 20 hours programming time X \$22/hr(salary & fringe for IS Comp Professional - Senior = \$440
- \$9.5 million total sales less 5% non-commercial sales equals approximately \$9 million in commercial sales.
 \$9 million X 5% sales tax = \$450,000 ongoing revenue increase to **general fund**
Note: We cannot estimate the amount of additional county and stadium taxes collected because we currently do not capture county data in our billing systems.
- Local government agencies provide a wide variety of data to many customers for various purposes. The assumption is that some of these data lists are provided for commercial purposes. This would result in some costs to begin calculating and collecting sales tax and revenue increase from the tax. Both amounts are indeterminable.

Long-Range Fiscal Implications

Increased revenue fiscal implications are ongoing. No additional long-range fiscal implications.

Agency/Prepared by: (Name & Phone No.)
 WisDOT - DMV John Alley 266 0614

Authorized Signature/Telephone No.
 Roger D. Cross 266-2233

Date
 3/09/2000

FISCAL ESTIMATE WORKSHEET

1999 Session

Detailed Estimate of Annual Fiscal Effect
DOA-2047 (R06/99)

LRB Number 3675/1	Amendment No. if Applicable
Bill Number SB 387	Administrative Rule Number

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

Subject

Sales tax on sales of lists.

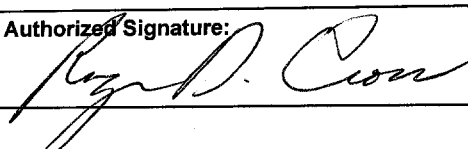
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

\$440 one time costs for modifications to automated billing systems

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		\$	\$ -
B. State Costs by Source of Funds		Increased Costs	Decreased Costs
GPR		\$	\$ -
FED			-
PRO/PRS			-
SEG/SEG-S			-
III. State Revenues		Increased Rev.	Decreased Rev.
Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
GPR Taxes		\$ 450,000	\$ -
GPR Earned			-
FED			-
PRO/PRS			-
SEG/SEG-S			-
TOTAL State Revenues		\$ 450,000	\$ -0

NET ANNUALIZED FISCAL IMPACT

	STATE	LOCAL
NET CHANGE IN COSTS	\$ <u>None</u>	\$ <u>Indeterminable</u>
NET CHANGE IN REVENUES	\$ <u>450,000</u>	\$ <u>Indeterminable</u>

Prepared by: John Alley	Telephone No. 266 0614	Agency WisDOT, DMV
Authorized Signature: 	Telephone No. 266 2233	Date 3/10/2000