

Fiscal Estimate - 2001 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 01-2530/1 **Introduction Number AB-318**

Subject
 Increase the individual income tax personal exemptions for persons 65 and older

Fiscal Effect

State:
 No State Fiscal Effect
 Indeterminate
 Increase Existing Appropriations
 Increase Existing Revenues
 Increase Costs - May be possible to absorb within agency's budget
 Decrease Existing Appropriations
 Decrease Existing Revenues
 Yes No
 Create New Appropriations
 Decrease Costs

Local:
 No Local Government Costs
 Indeterminate
 1. Increase Costs 3. Increase Revenue
 Permissive Mandatory
 Permissive Mandatory
 2. Decrease Costs 4. Decrease Revenue
 Permissive Mandatory
 Permissive Mandatory
 5. Types of Local Government Units Affected
 Towns Village Cities
 Counties Others
 School Districts WTCS Districts

Fund Sources Affected **Affected Ch. 20 Appropriations**
 GPR FED PRO PRS SEG SEGS

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Fiscal Estimate Narratives

DOR 05/01/2001

LRB Number 01-2530/1	Introduction Number AB-318	Estimate Type Original
Subject		
Increase the individual income tax personal exemptions for persons 65 and older		

Assumptions Used in Arriving at Fiscal Estimate

Under current law, a \$700 personal exemption is allowed for each filer, spouse, and dependent, and an additional personal exemption of \$250 may be claimed by filers or spouses who have reached the age of 65 before the close of the taxable year to which the tax return relates. This bill would increase for certain filers the additional personal exemption that may be claimed by persons aged 65 and older. Filers or spouses who have reached the age of 70 may claim an additional exemption of \$300; filers or spouses who have reached the age of 75 may claim an additional exemption of \$350.

Based on a simulation using the 1999 Wisconsin Individual Income Tax Model and adjusted to reflect current law, this bill would reduce revenues by \$900,000 annually.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

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Subject			
Increase the individual income tax personal exemptions for persons 65 and older			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$		
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$		\$
B. State Costs by Source of Funds			
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	\$		\$-900,000
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$		\$-900,000
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$		\$
NET CHANGE IN REVENUE	\$-900,000		\$
Agency/Prepared By		Authorized Signature	Date
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