

Fiscal Estimate Narratives

DOR 5/31/01

LRB Number 01-0068/1	Introduction Number AB-402	Estimate Type Original
Subject Prohibit county or municipality from contracting with tax delinquent businesses		

Assumptions Used in Arriving at Fiscal Estimate

The bill prohibits a tax delinquent person from entering into a public contract with a political subdivision, defined to include a city, village, town or county.

Under the bill, contractors would self-police themselves regarding their eligibility to enter into public contracts with political subdivisions; it would not require political subdivisions to check for contractors' tax liabilities. Since the bill does not require an action by a political subdivision, it would not affect the political subdivision's costs or revenues.

Assuming contractors and political subdivisions may request clearances from the Department, the Department estimates that the annual cost to check the records of 250 persons contracting with political subdivisions for outstanding tax liabilities would be about \$3,000 (\$2,900 salary and \$100 postage).

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject Prohibit county or municipality from contracting with tax delinquent businesses		
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	\$2,900	
(FTE Position Changes)		
State Operations - Other Costs	100	
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$3,000	\$
B. State Costs by Source of Funds		
GPR	3,000	
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	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT		
	State	Local
NET CHANGE IN COSTS	\$3,000	\$
NET CHANGE IN REVENUE	\$	\$
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