

Fiscal Estimate - 2001 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 01-4472/1	Introduction Number AB-752
Subject Tax credit for business that purchase and operate distributed generation power generators	
Fiscal Effect	
State:	
<input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate	
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </div> <input type="checkbox"/> Decrease Costs
Local:	
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate	
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
5. Types of Local Government Units Affected <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <input type="checkbox"/> Towns <input type="checkbox"/> Counties <input type="checkbox"/> School Districts </div> <div style="width: 30%;"> <input type="checkbox"/> Village <input type="checkbox"/> Others <input type="checkbox"/> WTCS Districts </div> <div style="width: 30%;"> <input type="checkbox"/> Cities </div> </div>	
Fund Sources Affected	
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
Affected Ch. 20 Appropriations	
Agency/Prepared By DOA/ Dick Wagner (608) 266-0653	Authorized Signature Paul McMahon (608) 266-1359
Date 2/12/02	

Fiscal Estimate Narratives

DOA 2/12/02

LRB Number	01-4472/1	Introduction Number	AB-752	Estimate Type	Original
Subject					
Tax credit for business that purchase and operate distributed generation power generators					

Assumptions Used in Arriving at Fiscal Estimate

The bill proposes a tax credit for distributed power generation up to a limit of \$2,000,000 annually. To offset the lost General Fund revenue from the credit, the bill requires the Secretary of Administration to identify General Fund GPR appropriations that reimburse the capital improvement fund --where expenditures are less than estimates for capital projects-- then reduce estimated expenditures in those appropriations the following year in an amount up to \$2,000,000. This would effectively offset the revenue lost due to the tax credit by reducing General Fund expenditures.

General Fund GPR appropriations normally do not reimburse the capital improvement fund as presumed in the bill, however. Debt service appropriations, including GPR appropriations, do pay into the bond security and redemption fund to pay off state debt. The payments from appropriations to the bond security and redemption fund are to cover capital and interest cost for projects undertaken in the capital improvement fund for which bond proceeds were applied.

Debt service appropriations are sum sufficient and estimated on the basis of scheduled debt. Any reduction in debt service appropriation estimates would not be an actual reduction in state General Fund costs since the repayment obligations would require re-estimates back to the actual levels of payments regardless of the estimated levels or any reduced estimated levels.

Long-Range Fiscal Implications

Cost would be up to \$2,000,000 annually depending on the use of the credit.