Wisconsin Department of Administration Division of Executive Budget and Finance DOA-2048 (R07/2000)

Fiscal Estimate - 2001 Session

☑ Origina		Updated		Corrected		Supplei	mental
LRB Numbe	er 01-2169/1		Intro	duction Number	er Al	B-369	
Subject Individual incom	e tax exemption of	first \$25,000 fede	eral AGI				
Fiscal Effect							
Indetermin Increase Approp Decrease Approp Create	Fiscal Effect nate se Existing oriations ase Existing oriations New Appropriation	Increase Revenue Decrease Revenue	s Existing		vithin age Yes	May be p ency's bu	ossible to dget \B\No
Indetermi 1. Incre Perr 2. Deci	ease Costs nissive Mandato rease Costs nissive Mandato	4. Decrease	e Mand Revenue	∐ Coun	ected s [ties [overnmen Village Others WTCS Districts	Cities
Fund Sources A	Affected ED PRO	PRS SE	G 🔲 SE	Affected Ch. : GS	20 Appr	opriation	is ·
Agency/Prepare	ed By	Au	thorized S	Signature			Date
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Fiscal Estimate Narratives DOR 5/4/01

LRB Number 01-2169/1	Introduction Number AB-369	Estimate Type	Original					
Subject								
Individual income tax exemption of first \$25,000 federal AGI								

Assumptions Used in Arriving at Fiscal Estimate

This bill would create an income tax subtract modification for the first \$25,000 of federal adjusted gross income (FAGI) for single or married separate filers and for the first \$50,000 of FAGI for married joint filers.

Based on a simulation using the 1999 Wisconsin Individual Income Tax Model, this bill would reduce revenues by \$3.2 billion. The simulation assumed that head of household filers would be eligible for the same \$25,000 exemption as single and married separate filers.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original	Updated	Corrected	Supplemental					
LRB Number 01-2169 /	1	Introduction Num	ber AB-369					
Subject Individual income tax exemption of first \$25,000 federal AGI								
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):								
II. Annualized Costs:		Annualized Fig	Annualized Fiscal Impact on funds from:					
		Increased Costs	Decreased Costs					
A. State Costs by Category								
State Operations - Salaries and	d Fringes	\$						
(FTE Position Changes)								
State Operations - Other Costs								
Local Assistance								
Aids to Individuals or Organiza								
TOTAL State Costs by Cat	egory	\$	\$					
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, ets.)								
		Increased Rev	Decreased Rev					
GPR Taxes		\$	\$-3,200,000,000					
GPR Earned								
FED								
PRO/PRS								
SEG/SEG-S								
TOTAL State Revenues		\$	\$-3,200,000,000					
NET ANNUALIZED FISCAL IMPACT								
		State	Local					
NET CHANGE IN COSTS		\$-3,200,000,000	\$					
NET CHANGE IN REVENUE	\$							
Agency/Prepared By		Authorized Signature	Date					
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