



**Fiscal Estimate Narratives**

**DOR 10/18/01**

LRB Number <b>01-3631/1</b>	Introduction Number <b>AB-549</b>	Estimate Type <b>Original</b>
<b>Subject</b>		
Sales and use tax exemption for devices to aid the visually impaired		

**Assumptions Used in Arriving at Fiscal Estimate**

The bill exempts from sales and use tax devices that are used to assist the visually impaired that cost more than \$150, including video magnifiers, scanners for reading printed material, and computer modifications.

Based on discussions with vendors of devices used to assist the visually impaired, video magnifiers typically cost between \$1,000 and \$4,000; scanners cost about \$1,000; screen readers cost about \$700; and screen magnification software costs about \$500. Also according to vendors, a total of 500 to 1,000 devices are sold each year in Wisconsin. Assuming 750 devices are sold and each device costs \$1,000, total sales would be about \$750,000 per year. Thus, sales taxes would decrease by about \$40,000 ( $\$750,000 \times 5\%$ ) annually under the bill.

County, baseball park district and football stadium district sales and use taxes are currently about 7.064% of state taxes and so these taxes would decrease by about \$3,000 annually under the bill.

Administrative costs of the bill are minimal.

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 01-3631/1		<b>Introduction Number</b> AB-549	
<b>Subject</b>			
Sales and use tax exemption for devices to aid the visually impaired			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
	State Operations - Salaries and Fringes	\$	
	(FTE Position Changes)		
	State Operations - Other Costs		
	Local Assistance		
	Aids to Individuals or Organizations		
	<b>TOTAL State Costs by Category</b>	<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
	GPR		
	FED		
	PRO/PRS		
	SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$-40,000
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S		
	<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$-40,000</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
<b>NET CHANGE IN COSTS</b>		<b>\$</b>	<b>\$</b>
<b>NET CHANGE IN REVENUE</b>		<b>\$-40,000</b>	<b>\$-3,000</b>
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	
DOR/ Blair Kruger (608) 266-1310		Brian Pahnke (608) 266-2700	
		<b>Date</b>	
		10/18/01	