



# State of Wisconsin

## LEGISLATIVE REFERENCE BUREAU

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STEPHEN R. MILLER  
CHIEF

May 17, 2005

## MEMORANDUM

**To:** Representative Cullen

**From:** Joseph T. Kreye, Sr. Legislative Attorney, (608) 266-2263

**Subject:** Technical Memorandum to **2005 AB-407** (LRB 05-2865/1)

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We received the attached technical memorandum relating to your bill. This copy is for your information and your file. If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

**MEMORANDUM**

May 16, 2005

**TO:** Joseph Kreye  
Legislative Reference Bureau

**FROM:** Rebecca Boldt  
Department of Revenue

**SUBJECT:** Technical Memorandum on AB 407 Temporarily Reduce the Motor Vehicle Fuel Tax Rate

The tax rate change created by this bill will cause problems for the motor fuel tax computer system (WiXTRAS). The most significant problem concerns the change of tax rate during the month of September 2005. The system can handle a different tax rate for each month, but not a change in the middle of the month. The author may wish to amend the bill to align the tax rate change with the beginning of the month to reduce the implementation costs associated with the bill.

The department would bear costs for responding to telephone and written inquiries from taxpayers about the change. This bill will also require several pieces of taxpayer communication concerning the tax rate change, with associated costs for printing and mailing totaling approximately \$17,000.

The proposed legislation makes no provision for the funding of the costs involved in administering the activities required. If the author wishes to provide funding, appropriation language could be developed and costs allocated in the following manner:

	<u>Chapter 20</u>	<u>Amount</u>	<u>FTE</u>
one-time	s. 20.566 (1) (u)	\$ 17,000	

If you have any questions regarding this technical memorandum, please contact Josh Dukelow at 266-5516; for administrative costs contact Julie Feavel at 267-9892.