

Fiscal Estimate - 2005 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 05-2075/4	Introduction Number SB-167
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Subject
Individual income tax checkoff for multiple sclerosis programs

Fiscal Effect

State:

- | | | |
|--|--|---|
| <input type="checkbox"/> No State Fiscal Effect | <input checked="" type="checkbox"/> Increase Existing Revenues | <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget |
| <input type="checkbox"/> Indeterminate | <input checked="" type="checkbox"/> Decrease Existing Revenues | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <input checked="" type="checkbox"/> Increase Existing Appropriations | <input type="checkbox"/> Decrease Existing Appropriations | <input type="checkbox"/> Decrease Costs |
| <input type="checkbox"/> Create New Appropriations | | |

Local:

- | | |
|--|---|
| <input type="checkbox"/> No Local Government Costs | 5. Types of Local Government Units Affected |
| <input type="checkbox"/> Indeterminate | <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities |
| 1. <input type="checkbox"/> Increase Costs | <input type="checkbox"/> Counties <input type="checkbox"/> Others |
| <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | <input type="checkbox"/> School <input type="checkbox"/> WTCS |
| 2. <input type="checkbox"/> Decrease Costs | <input type="checkbox"/> Districts <input type="checkbox"/> Districts |
| <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 | |

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.566(3)(a)	

Agency/Prepared By DOR/ Kirstin Nelson (608) 261-8984	Authorized Signature Rebecca Boldt (608) 266-6785	Date 4/29/2005
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Fiscal Estimate Narratives

DOR 5/2/2005

LRB Number	05-2075/4	Introduction Number	SB-167	Estimate Type	Corrected
Subject					
Individual income tax checkoff for multiple sclerosis programs					

Assumptions Used in Arriving at Fiscal Estimate

This bill creates an income tax check-off for designations to multiple sclerosis programs. The total amount of designations less the cost of administering the check-off procedure must be used to fund health-related programs for people with multiple sclerosis.

According to the Department of Revenue data from tax year 2003 returns, about 39,500 tax filers contributed a total of \$639,000 in donations to the endangered species program; donations to the endangered species program are collected in the same way as the proposed check-off for donations to the multiple sclerosis programs would be administered. Assuming similar participation in the proposed check-off, 39,500 filers would donate a total of \$640,000 to the multiple sclerosis programs.

The Department would incur one-time costs of \$21,600 for 400 hours of programming changes to individual income tax forms and the Free File system. These costs would be deducted from total donations received and the remaining funds would be used for multiple sclerosis programs. Therefore, the first year of the check-off program would bring in a total of \$618,400 (\$640,000 - \$21,600) in donations after deducting the cost of administering the program. If the amount of donations remains constant each year, total annual donations would be \$640,000 for each subsequent year.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

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Subject			
Individual income tax checkoff for multiple sclerosis programs			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
\$21,600 for 400 hours of programming changes to individual income tax forms and the electronic FreeFile system.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$	
	(FTE Position Changes)		
	State Operations - Other Costs		
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$	\$
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, etc.)			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S	640,000	
	TOTAL State Revenues	\$640,000	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
	NET CHANGE IN COSTS	\$	\$
	NET CHANGE IN REVENUE	\$640,000	\$
Agency/Prepared By			
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		Rebecca Boldt (608) 266-6785	
Date			
4/29/2005			