

Fiscal Estimate - 2005 Session

Original Updated Corrected Supplemental

LRB Number **05-0766/1** Introduction Number **SB-20**

Subject
 Sales and use tax exemption for nonprofit cemeteries

Fiscal Effect

State:

No State Fiscal Effect
 Indeterminate

Increase Existing Appropriations Increase Existing Revenues Increase Costs - May be possible to absorb within agency's budget
 Decrease Existing Appropriations Decrease Existing Revenues Yes No
 Create New Appropriations Decrease Costs

Local:

No Local Government Costs
 Indeterminate

1. Increase Costs 3. Increase Revenue 5. Types of Local Government Units Affected
 Permissive Mandatory Permissive Mandatory Towns Village Cities
 Decrease Costs 4. Decrease Revenue Counties Others Stadium districts
 Permissive Mandatory Permissive Mandatory School Districts WTCS Districts

Fund Sources Affected **Affected Ch. 20 Appropriations**

GPR FED PRO PRS SEG SEGS

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Fiscal Estimate Narratives

DOR 2/3/2005

LRB Number	05-0766/1	Introduction Number	SB-20	Estimate Type	Original
Subject					
Sales and use tax exemption for nonprofit cemeteries					

Assumptions Used in Arriving at Fiscal Estimate

The bill creates a sales and use tax exemption for sales of taxable goods and services to cemetery authorities that are not organized or conducted for pecuniary profit.

According to the State Historical Society, there are about 9,000 burial sites in Wisconsin, including about 2,000 Indian mounds. Purchases by the owners of many of the 9,000 sites are already exempt as purchases by municipalities, Indian tribes, the state or federal government, religious associations, fraternal or benevolent societies, or other exempt entities.

Cemetery associations would be the primary beneficiaries of the sales tax exemption under the bill. According to the Department of Financial Institutions (DFI), 53 cemetery associations have registered with that agency. According to the Wisconsin Cemetery Association, cemetery associations are typically small town and rural cemeteries whose primary expenditures are for landscaping materials, such as fertilizer, grass seed, and/or landscaping services.

Although data regarding purchases by such cemetery associations are not available, the sales tax reduction under the bill is not expected to be significant.

The bill would also reduce county sales tax, baseball park and football stadium taxes.

Administrative costs of the bill would be minimal.

Long-Range Fiscal Implications