

Fiscal Estimate Narratives

OCI 6/16/2005

LRB Number 05-3036/2	Introduction Number SB-217	Estimate Type Original
Subject Allstate et al. claims		

Assumptions Used in Arriving at Fiscal Estimate

After extensive briefing and oral argument, the Claims Board denied Allstate et al.'s claim for refund of premium tax paid for tax years 1992 – 1996. The OCI has available upon request documentation supporting its' opposition to any refund of premium taxes by Illinois domestic insurers. Granting Allstate et al.'s request for refund will financially disadvantage Wisconsin domestic companies as the state of Illinois has repeatedly refused to refund taxes paid to Illinois by Wisconsin domestic insurers for the same period of time even though it was Illinois' supreme court that struck its privilege tax as unconstitutional. Additionally, OCI would calculate the amount of claims represented in the proposal at a different, lower rate of 12.4 million.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
Allstate et al. claims			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
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	13,103,428		
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$13,103,428		\$
B. State Costs by Source of Funds			
GPR	13,103,428		
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			
TOTAL State Revenues	\$		\$
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$13,103,428		\$
NET CHANGE IN REVENUE	\$		\$
Agency/Prepared By		Authorized Signature	Date
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