

Fiscal Estimate - 2007 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 07-0703/1	Introduction Number AB-0065
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Description
 Creating a nonrefundable individual and corporate income tax credit based on interest received from bonds or notes issued by the Wisconsin Health and Educational Facilities Authority for purposes related to an educational facility and authorizing the Wisconsin Health and Educational Facilities Authority to issue bonds to finance a project undertaken by the Wisconsin Association of Independent Colleges and Universities related to an educational facility

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input 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 type="checkbox"/> No
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs			
<input type="checkbox"/> Indeterminate			
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue		<input type="checkbox"/> Counties <input type="checkbox"/> Others
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts

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

Agency/Prepared By WHEFA/ Larry Nines (262) 792-0466	Authorized Signature Larry Nines (262) 792-0466	Date 12/14/2006
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Fiscal Estimate Narratives

WHEFA 2/12/2007

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Assumptions Used in Arriving at Fiscal Estimate

Education bonds issued annually assumed to be 52.5 million dollars. \$40 million of these bonds would be held by Wisconsin investors. 7% state tax and 5% borrowing costs. These assumptions result in lost state revenue of approximately \$155,000 in the first year following enactment.

Long-Range Fiscal Implications

After 10 years of bond issuance newly issued bonds should equal bond redemptions. So then maximum fiscal impact is \$1,555,000 per annum after the 10th year.

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): No increased costs, but lost revenues as indicated on estimate.		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs Decreased Costs	
A. State Costs by Category		
State Operations - Salaries and Fringes	\$0	\$0
(FTE Position Changes)	(0.0 FTE)	(0.0 FTE)
State Operations - Other Costs	0	0
Local Assistance	0	0
Aids to Individuals or Organizations	0	0
TOTAL State Costs by Category	\$0	\$0
B. State Costs by Source of Funds		
GPR	0	0
FED	0	0
PRO/PRS (0)	0	0
SEG/SEG-S (0)	0	0
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	\$0	\$-155,000
GPR Earned	0	0
FED	0	0
PRO/PRS (0)	0	0
SEG/SEG-S (0)	0	0
TOTAL State Revenues	\$0	\$-155,000
NET ANNUALIZED FISCAL IMPACT		
	State	Local
NET CHANGE IN COSTS	\$0	\$0
NET CHANGE IN REVENUE	\$-155,000	\$0
Agency/Prepared By	Authorized Signature	Date
WHEFA/ Larry Nines (262) 792-0466	Larry Nines (262) 792-0466	12/14/2006