

Fiscal Estimate - 2007 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 07-2196/2	Introduction Number AB-0349
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Description
 A property tax exemption for property owned by a nonprofit corporation that operates an Olympic ice training center

Fiscal Effect

State:

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

Local:

- No Local Government Costs
- Indeterminate
- 1. Increase Costs Permissive Mandatory
- 2. Decrease Costs Permissive Mandatory
- 3. Increase Revenue Permissive Mandatory
- 4. Decrease Revenue Permissive Mandatory
- 5. Types of Local Government Units Affected
 - Towns Village Cities
 - Counties Others
 - School Districts WTCS Districts

Fund Sources Affected	Affected Ch. 20 Appropriations
<input 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	Authorized Signature	Date
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Fiscal Estimate Narratives

DOR 6/1/2007

LRB Number	07-2196/2	Introduction Number	AB-0349	Estimate Type	Original
Description A property tax exemption for property owned by a nonprofit corporation that operates an Olympic ice training center					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, property owned by the state and leased to a nonprofit organization that operates an Olympic ice training center is exempt from property tax. The Pettit National Ice Center at the State Fair Park in Milwaukee is exempted under this provision of current law.

The bill would create a property tax exemption for property owned by a nonprofit corporation that operates an Olympic ice training center on land purchased from the state if the property is located or primarily used at the center. The exemption would include up to 6,000 square feet of property leased to a for-profit entity. The State Fair Park Board sold the Pettit National Ice Center to the nonprofit corporation Pettit National Ice Center, Inc. on January 5, 2007, for \$5.65 million. Since the classification of property is determined as of January 1 of a given year, the exempt status of the facility will terminate on January 1, 2008, without a specific exemption.

Assuming the statewide commercial rate of \$18.616 per \$1,000 of value, exempting the ice facility from property taxes would shift approximately \$105,180 ($\$5.65 \text{ million} \times .0018616$) of property taxes. State forestry revenues would decrease by a minimal amount under the bill.

Relative to the January 1, 2007, property tax treatment of the Petit ice center, however, no tax shift or state forestry tax loss would occur.

Long-Range Fiscal Implications