

### Fiscal Estimate - 2007 Session

Original
  Updated
  Corrected
  Supplemental

<b>LRB Number</b> <b>07-2152/2</b>	<b>Introduction Number</b> <b>SB-146</b>	
<b>Description</b> Expanding eligibility to claim the veterans and surviving spouses property tax credit		
<b>Fiscal Effect</b>		
<b>State:</b> <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
<b>Local:</b> <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		
<b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b> <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS		
<b>Agency/Prepared By</b> DVA/ Zolonda Eubanks (608) 264-7072	<b>Authorized Signature</b> William Kloster (608) 266-2256	<b>Date</b> 4/18/2007

## Fiscal Estimate Narratives

DVA 4/19/2007

LRB Number	07-2152/2	Introduction Number	SB-146	Estimate Type	Original
<b>Description</b> Expanding eligibility to claim the veterans and surviving spouses property tax credit					

### Assumptions Used in Arriving at Fiscal Estimate

Under current law, the Wisconsin Veterans and Surviving Spouse property tax credit may be claimed by certain Wisconsin Veterans and by the unremarried surviving spouse. To be eligible to claim the credit, the veteran must meet several criteria, including being at least 65 years old, having been a resident of this state at the time of entry into the service, and having a service connected disability rating of 100%.

This bill will expand eligibility for the credit. Under the bill, the service connected disability would have at least a 60% rating to claim the credit.

Currently, there are 1,057 Wisconsin veterans over the age of 65 with a schedular, combined federal VA service-connected disability rating of 100%. According to available data 68% of Wisconsin's households own a home. The assumption was that the same percentage of disabled veterans own homes. This indicates that approximately 719 veterans would be eligible for the current credit. Including estimates of eligible unremarried surviving spouses of eligible veterans, the estimated eligible for the current credit is 1,182.

There are 3,627 Wisconsin veterans who have a schedular combined service-connected disability rating of at least 60%. Using the same methodology used in 2005, there would be about 1,747 ( $3,627 \times 68\% - 719$ ) veterans who would become eligible for the credit under this bill. Including estimates of eligible unremarried surviving spouses of eligible veterans, the estimated eligible under the proposed bill for the credit is 2,006.

It is important to note that using the 2005 methodology, 2005 estimates indicated roughly 1,200 would use the property tax credit benefit for a total estimate of approximately \$3 million. However actual usage of the credit was just under 300 or about one-fourth of the estimate for a total of \$866,255. It remains unclear why the actual usage was significantly lower than the estimate.

However, any increase in administrative cost to WDVA in certifying veterans status would be minimal and would be possible to absorb within the agency budget.

### Long-Range Fiscal Implications