

### Fiscal Estimate - 2007 Session

Original       Updated       Corrected       Supplemental

**LRB Number** 07-3750/1      **Introduction Number** SB-564

**Description**  
Distribution of a portion of the school levy tax credit

**Fiscal Effect**

**State:**

No State Fiscal Effect

Indeterminate

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

**Local:**

No Local Government Costs

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>	<b>Authorized Signature</b>	<b>Date</b>
DPI/ Michael Bormett (608) 266-2804	Michael Bormett (608) 266-2804	3/25/2008

**Fiscal Estimate Narratives**

**DPI 3/25/2008**

LRB Number <b>07-3750/1</b>	Introduction Number <b>SB-564</b>	Estimate Type <b>Original</b>
<b>Description</b> Distribution of a portion of the school levy tax credit		

**Assumptions Used in Arriving at Fiscal Estimate**

Under current law, the majority of general school aids are distributed to school districts based on the relative fiscal capacity of each school district, as measured by the school district's per pupil value of taxable property. The school levy tax credit is distributed to municipalities based on each municipality's share of statewide tax levies for school purposes during the preceding three years, and allocated proportionately to reduce each property owner's tax bill.

This bill requires that \$79,350,000 of the total amount to be distributed as the school levy tax credit in 2009 (\$747,400,000) be distributed using the formula for the distribution of general school aid instead of the method used for the balance of the school levy tax credit. Amounts distributed under the bill are still allocated proportionately to reduce each property owner's tax bill.

State Fiscal Effect - None. This bill does not impact state school aid appropriations.

Local Fiscal Effect - None. This bill does not affect the distribution of state school aids to school districts.

**Long-Range Fiscal Implications**