



## Fiscal Estimate Narratives

DOR 4/9/2007

LRB Number	07-1884/1	Introduction Number	AB-0201	Estimate Type	Original
<b>Description</b> A sales tax exemption for sales to veterans organizations					

### Assumptions Used in Arriving at Fiscal Estimate

The bill exempts sales of goods and services to Wisconsin chapters or affiliates of national veterans organizations that are incorporated by an act of Congress from sales and use taxes.

Based on the websites of veterans organizations, about 14 organizations appear to qualify for the exemption under the bill. The 14 organizations are listed on the attachment to the fiscal estimate. With the exception of the American Legion and the Veterans of Foreign Wars, taxable purchases of veterans organizations appear to consist largely of office supplies and the revenue decrease due to decreased sales of office supplies under the bill would likely be minimal.

The American Legion and Veterans of Foreign Wars have about 900 posts in the state. These posts purchase furniture and equipment to support a variety of programs and services, for example, many posts offer fish fries which require kitchen equipment and restaurant supplies. Data regarding the taxable purchases of these organizations that would become exempt under the bill are not available.

County and stadium sales and use taxes were about 7.64% of state sales and use taxes in FY06. These local sales taxes would also decrease under the bill.

Administrative costs of the bill are minimal and would be absorbed by the Department.

### Long-Range Fiscal Implications

ATTACHMENT: STATE VETERANS ORGANIZATIONS UNDER 2007 AB 201

- American Legion (531 posts)
- American Veterans (AMVETS) National Headquarters
- Catholic War Veterans
- Disabled American Veterans
- Gold Star Wives of America
- Military Order of the Purple Heart
- National Association for Black Veterans
- National Association of State Directors of Veterans Affairs
- Navy Club of the U.S.A.
- Paralyzed Veterans of America
- Polish Legion of American Veterans-USA
- The Retired Enlisted Association
- Veterans of Foreign Wars (365 posts)
- Vietnam Veterans of America

## Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 07-1884/1		<b>Introduction Number</b> AB-0201	
<b>Description</b> A sales tax exemption for sales to veterans organizations			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
	State Operations - Salaries and Fringes	\$	\$
	(FTE Position Changes)		
	State Operations - Other Costs		
	Local Assistance		
	Aids to Individuals or Organizations		
	<b>TOTAL State Costs by Category</b>	<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
	GPR		
	FED		
	PRO/PRS		
	SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S		
	<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
	NET CHANGE IN COSTS	\$	\$
	NET CHANGE IN REVENUE	\$Decrease	\$Decrease
<b>Agency/Prepared By</b>			
DOR/ Blair Kruger (608) 266-1310		<b>Authorized Signature</b>	
		Paul Ziegler (608) 266-5773	
		<b>Date</b>	
		4/9/2007	