

### Fiscal Estimate - 2007 Session

Original       Updated       Corrected       Supplemental

<b>LRB Number</b> <b>07-0694/3</b>		<b>Introduction Number</b> <b>AB-0381</b>	
<b>Description</b> An income and franchise tax credit for sales and use taxes paid on the purchase of electricity used in agricultural biotechnology			
<b>Fiscal Effect</b>			
<b>State:</b>			
<input type="checkbox"/> No State Fiscal Effect			
<input checked="" type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input checked="" type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget	
		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
		<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	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected			
<input type="checkbox"/> Towns		<input type="checkbox"/> Village <input type="checkbox"/> Cities	
<input type="checkbox"/> Counties		<input type="checkbox"/> Others	
<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>
DOR/ Blair Kruger (608) 266-1310		Paul Ziegler (608) 266-5773	6/13/2007

## Fiscal Estimate Narratives

DOR 6/13/2007

LRB Number	<b>07-0694/3</b>	Introduction Number	<b>AB-0381</b>	Estimate Type	<b>Original</b>
<b>Description</b> An income and franchise tax credit for sales and use taxes paid on the purchase of electricity used in agricultural biotechnology					

### Assumptions Used in Arriving at Fiscal Estimate

The bill defines "agricultural biotechnology" and provides that a person may claim an income or franchise tax credit in the amount of the sales and use tax paid on purchases of electricity used in research or product development related to agricultural biotechnology. The credit under the bill is nonrefundable but unused credits may be carried forward for up to 15 years. The new credit would first apply to taxable years beginning on the January 1 of the year the act takes effect except that, if the act takes effect after July 31, the credit would first apply the following year.

Data regarding the cost or quantity of electricity used in research and development related to agricultural biotechnology are not available. Thus, a reliable estimate of the value of credits that would be claimed under the bill, and the resulting decrease in income and franchise tax revenues, is not feasible.

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

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>07-0694/3</b>	<b>Introduction Number</b> <b>AB-0381</b>
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**Description**  
 An income and franchise tax credit for sales and use taxes paid on the purchase of electricity used in agricultural biotechnology

**I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):**

<b>II. Annualized Costs:</b>	<b>Annualized Fiscal Impact on funds from:</b>	
	Increased Costs	Decreased Costs

A. State Costs by Category			
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. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			

**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		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>		<b>\$</b>	<b>\$</b>

**NET ANNUALIZED FISCAL IMPACT**

		State	Local
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$See text	\$

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