

### Fiscal Estimate - 2007 Session

Original       Updated       Corrected       Supplemental

<b>LRB Number</b> <b>07-2482/1</b>	<b>Introduction Number</b> <b>SB-185</b>
<b>Description</b> Trespass by operators of snowmobiles, all-terrain vehicles, and other off-road vehicles; increasing the appropriations for certain all-terrain vehicle programs; fees for registration of all-terrain vehicles for public and private use, fees for commercial all-terrain vehicle certificates, and fees for nonresident all-terrain vehicle trail passes; creating an all-terrain vehicle damage claim program; the all-terrain vehicle gas tax payment; promulgation of rules to establish standards and procedures for certifying the designation of all-terrain vehicle routes and trails; the display of all-terrain vehicle registration numbers; creating an individual income tax checkoff for trails that are not open to motorized vehicles; creating a nonmotorized trails program; requiring a certificate of title for an all-terrain vehicle; granting rule-making authority; requiring the exercise of rule-making authority; making an appropriation; and providing penalties	
<b>Fiscal Effect</b>	
<b>State:</b>	
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input checked="" type="checkbox"/> Increase Existing Appropriations <input checked="" 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 checked="" type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
<b>Local:</b>	
<input checked="" 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>	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.566(1)(hp), 20.855(4)(u)	
<b>Affected Ch. 20 Appropriations</b>	
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>
DOR/ Bradley Caruth (608) 261-8984	Rebecca Boldt (608) 266-6785
<b>Date</b>	
5/22/2007	

## Fiscal Estimate Narratives

DOR 5/23/2007

LRB Number	<b>07-2482/1</b>	Introduction Number	<b>SB-185</b>	Estimate Type	<b>Original</b>
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### Assumptions Used in Arriving at Fiscal Estimate

#### Income Tax Checkoffs.

Under current Wisconsin law, taxpayers are allowed to donate to any of six charitable funds listed in their individual income tax returns. The designated donation amount either increases the payment due at the time the return is filed or decreases the amount that is refunded to the taxpayer.

Under this bill, a new charitable check-off would be created for the Non-motorized Trails Program. The total donations, less the cost of administering the check-off, are to be used for the acquisition of state land for non-motorized trail use; the planning, establishment, development, construction, improvement, or maintenance of non-motorized trails on state land; or the awarding of grants to political subdivisions or nonprofit organizations for the acquisition of lands to be used for non-motorized trails that will be available for public use.

Historical data show that the introduction of a new check-off is generally associated with an increase in total donations and a decrease in donations to previously existing check-offs. For example, the Breast Cancer Research check-off was added to individual income tax forms in 2004 and raised \$330,000. Donations to previously existing funds decreased by \$150,000. In tax year 2005, the Veterans Trust Fund check-off was added to individual income tax forms and raised \$130,000. Donations to the other check-off funds decreased during that year by \$110,000.

The extent to which individual charities raise money, depends on their popularity and both the number and substitutability of previously existing charities. Although, the effect of the Non-motorized Trails Program check-off is not known, it is expected that a portion of its donations will come from new donors and a portion will be the result of taxpayers substituting donations from other check-off charities.

#### Estimated ATV gas tax formula.

The bill also changes the formula used for the estimated all terrain vehicle (ATV) gas tax payment made to the conservation fund. Current law specifies that the payment is based on the last day of February of the prior fiscal year and equal to the product of three factors: (1) the number of registered ATVs for public use and number of plates issued for commercial use, (2) 25 gallons, (3) the excise tax.

Based on DNR data, it is assumed that there are approximately 230,000 ATV registrations. Using the current excise tax of \$0.309 per gallon, the current formula results in \$1.78 million in payments to the conservation fund [230,000 x 25 gallons x \$0.309].

The bill changes the formula to 1) increase the second factor from 25 gallons to 50 gallons and 2) increase the result of the three factors by 40%. Thus, the payments to the conservation fund under the bill would be \$4.97 million [(230,000 x 50 gallons x \$0.309) x 1.4].

As a result, the bill will result in an increase of \$3.2 million designated to the conservation fund [\$4.97 million - \$1.77 million]. There would be a corresponding increase in expenditures from the transportation funds.

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

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  Updated     
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<b>Description</b>			
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<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		\$See text	\$
NET CHANGE IN REVENUE		\$See text	\$

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