



**Fiscal Estimate Narratives**  
**COMM 4/13/2010**

LRB Number <b>09-4451/1</b>	Introduction Number <b>AB-0948</b>	Estimate Type <b>Original</b>
<b>Description</b> An income and franchise tax credit for investments in a community development financial institution and granting rule-making authority		

**Assumptions Used in Arriving at Fiscal Estimate**

Under this bill, certified persons who make certain investments in certain federally certified community development financial institutions (CDFI) may claim a credit on their income or franchise taxes. Commerce has the following responsibilities under the bill:

1. Register CDFIs that have been federally certified and that have been organized under Wisconsin law and use qualified investments for projects based in Wisconsin.
2. Certify persons to claim the credit who make qualified investments in CDFIs. A qualified investment is a deposit or loan that is at least \$10,000, pays no interest, and is made for a period of at least 60 months.
3. Notify the Department of Revenue of all certifications and registrations.

Commerce will not be able to accomplish these responsibilities within existing budget authority. The required rule promulgation, processing of certification and registration applications, and verifications of all information contained in those applications will require 1.0 FTE position. This position will have the following costs:

Salary \$44,900  
Fringe \$20,500  
Supplies \$ 8,000  
  
TOTAL \$73,400

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

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<b>Description</b> An income and franchise tax credit for investments in a community development financial institution and granting rule-making authority			
<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	\$65,400	\$
	(FTE Position Changes)	(1.0 FTE)	
	State Operations - Other Costs	8,000	
	Local Assistance		
	Aids to Individuals or Organizations		
	<b>TOTAL State Costs by Category</b>	<b>\$73,400</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
	GPR	73,400	
	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		\$73,400	\$
NET CHANGE IN REVENUE		\$	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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