

Fiscal Estimate - 2009 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 09-3363/1	Introduction Number AB-0477
Description The effective date of the jobs tax credit	
Fiscal Effect	
State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input checked="" 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: <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> 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	
Fund Sources Affected Affected Ch. 20 Appropriations <input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
Agency/Prepared By DOR/ Michael Oakleaf (608) 261-5173	Authorized Signature Rebecca Boldt (608) 266-6785
Date 6/8/2010	

Fiscal Estimate Narratives

DOR 6/8/2010

LRB Number	09-3363/1	Introduction Number	AB-0477	Estimate Type	Original
Description The effective date of the jobs tax credit					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, the Department of Commerce may allocate \$14.5 million in jobs tax credits during the period of January 1, 2010 through June 30, 2013. The bill advances the start date by one year for allocation of the \$14.5 million to January 1, 2009 but retains the June 30, 2013 end date.

Under current law, amounts allocated by Commerce for taxable years 2010 and 2011 may be claimed for those years, but any credits due would not be paid until tax year 2012; thus, the fiscal impact under current law would begin in fiscal year 2013. The bill would allow claims to be paid at the time the return is filed for the tax year in which the credits are earned.

Fiscal Estimate

Due to the likely timing of passage of the bill and based on information provided by the Department of Commerce, it is assumed that Commerce would not allocate or certify any credits for 2009 as allowed under the bill. Thus, the provision which changes the start date for the \$14.5 million allocation would not have a fiscal impact.

The provision to allow 2010 and 2011 credits to be paid at the time the return is filed rather than in tax year 2012 as under current law would increase the credit appropriation by \$5 million in fiscal year 2011 and fiscal year 2012 and would reduce the fiscal year 2013 credit appropriation by \$10 million. The bill would have no fiscal effect for fiscal years 2014 and beyond.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

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Description The effective date of the jobs tax credit		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
<p>This proposal changes the effective date of the jobs tax credit to taxable years beginning on or after 12/31/08 (one year sooner). The 2009 tax booklets are already proofed and will go to print on 11/15/09. Passage of this legislation will likely occur after the booklets have been printed thereby requiring the department to reprint new booklets. There are GPR costs of \$90,500 under chapter 20.566(1)(a) related to the reprinting of forms and booklets.</p>		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	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		
TOTAL State Costs by Category	\$	\$
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		
TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT		
	State	Local
NET CHANGE IN COSTS	\$See Text	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		
Authorized Signature		Date
DOR/ Michael Oakleaf (608) 261-5173		6/8/2010
Rebecca Boldt (608) 266-6785		