

Fiscal Estimate Narratives

DOR 6/26/2009

LRB Number	09-1133/2	Introduction Number	SB-221	Estimate Type	Original
Description Campaign financing, designations for the Wisconsin election campaign fund by individuals filing state income tax returns, creating a nonrefundable individual income tax credit for contributions to the Public Integrity Endowment, candidate time on public broadcasting television stations and public access channels, staffing of the Government Accountability Board; providing exemptions from emergency rule procedures; granting rule-making authority; making appropriations; and providing penalties					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, the Wisconsin election campaign fund (WECF) is financed through designations made by taxpayers on their individual income tax forms. Every individual filing an income tax return, whether receiving a refund or possessing a tax liability, may designate \$1 of general purpose revenue for transfer to the WECF. Individuals filing a joint return may each separately choose to designate \$1 for transfer to the fund. All moneys transferred to the fund are placed in accounts for specified state offices, and candidates for those offices may qualify for grants from the fund to be used for specified campaign expenses. No moneys in the fund may be used for any other purpose.

The bill changes the individual income tax designation amount for the WECF from \$1 to \$5 and also creates the Public Integrity Endowment (PIE) to solicit contributions for the purpose of supplementing the WECF. Contributions to the PIE may be made in any amount and contributors may claim an individual income tax credit equal to the amount of the contribution.

Based on WECF checkoff donations made on 2007 returns, approximately 202,000 taxpayers designated the \$1 transfer under current law. Assuming the same number of taxpayers would designate the \$5 transfer, total designations would increase by approximately \$808,000 (202,000 x \$4). This will decrease general program revenue by \$808,000.

The fiscal effect of the income tax credit for donations to the PIE is unknown. Assuming PIE contributions would be similar to the current campaign fund checkoff, the PIE tax credit could reduce GPR revenues by approximately \$202,000. However, to the extent that the PIE credit may be as high as an individual's net tax liability, the fiscal effect could be higher.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
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, ets.)			
		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		\$	\$
NET CHANGE IN REVENUE		\$SeeText	\$
Agency/Prepared By Authorized Signature Date			
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