

Fiscal Estimate - 2011 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 11-1999/1	Introduction Number SB-120
Description An income and franchise tax credit for investments in a community development financial institution, increasing the credit amounts for the dairy manufacturing facility, meat processing facility, and food processing facility investment credits, and granting rule-making authority	
Fiscal Effect	
State:	
<input checked="" type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate	
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
Local:	
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate	
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <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	
Fund Sources Affected	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
Affected Ch. 20 Appropriations	
Agency/Prepared By	Authorized Signature
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Date	
6/14/2011	

Fiscal Estimate Narratives

COMM 6/14/2011

LRB Number	11-1999/1	Introduction Number	SB-120	Estimate Type	Original
Description An income and franchise tax credit for investments in a community development financial institution, increasing the credit amounts for the dairy manufacturing facility, meat processing facility, and food processing facility investment credits, and granting rule-making authority					

Assumptions Used in Arriving at Fiscal Estimate

SB 120 allows the Department of Commerce to certify a person who makes a qualified investment in a registered community development financial institution (CDFI) to receive a credit against state income and franchise taxes and against license fees paid by insurers. Commerce may certify up to \$500,000 in tax credits annually.

The bill raises the maximum amount of dairy manufacturing facility investment credits that may be claimed by all taxpayers, other than dairy cooperatives, in a fiscal year from \$700,000 to \$1 million, and raises the maximum amount of dairy manufacturing facility investment credits that may be claimed by dairy cooperatives in a fiscal year from \$700,000 to \$1 million.

The bill raises the maximum amount of meat processing facility investment credits that may be claimed by all taxpayers in a fiscal year from \$700,000 to \$1.2 million.

The bill also maintains the maximum amount of food processing plant and food warehouse investment credits that may be claimed by all taxpayers in a fiscal year at \$1.2 million per year, instead of decreasing to \$700,000 in FY 12.

The Department will be able to administer these changes within current budgetary authority.

Long-Range Fiscal Implications