

Fiscal Estimate - 2011 Session

Original Updated Corrected Supplemental

LRB Number 11-4183/1		Introduction Number SB-526		
Description Technical changes to the qualified production activities income and franchise tax credit				
Fiscal Effect				
State:				
<input checked="" type="checkbox"/> No State Fiscal Effect				
<input type="checkbox"/> Indeterminate				
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues		
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues		
<input type="checkbox"/> Create New Appropriations		<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		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 <u>0</u>		
<input type="checkbox"/> School Districts		<input type="checkbox"/> WTCS Districts		
Fund Sources Affected		Affected Ch. 20 Appropriations		
<input 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		Authorized Signature		Date
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Fiscal Estimate Narratives

DOR 2/29/2012

LRB Number	11-4183/1	Introduction Number	SB-526	Estimate Type	Original
Description Technical changes to the qualified production activities income and franchise tax credit					

Assumptions Used in Arriving at Fiscal Estimate

The bill makes technical changes to the qualified production activities income credit, which was enacted in 2011 Act 32, in order to facilitate the Department of Revenue's administration of the credits. Specifically, the bill provides a method for determining the qualified production activities income derived from manufacturing property or agricultural property located in this state rather than rely on the federal definition of "qualified production activities income."

The entire fiscal effect of the qualified production activities income credit was included in estimates provided for 2011 Act 32. None of the provisions in the bill materially change the fiscal effect of the credit as originally enacted. Therefore, the bill will have no fiscal effect.

Long-Range Fiscal Implications