

Fiscal Estimate - 2013 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 13-0869/1	Introduction Number AB-0047	
Description Entrepreneurial tax credit access grants		
Fiscal Effect		
State: <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" 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 checked="" 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 <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 <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		
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Fiscal Estimate Narratives

WEDC 3/11/2013

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Description Entrepreneurial tax credit access grants					

Assumptions Used in Arriving at Fiscal Estimate

Under this bill, WEDC is required to establish a program to provide grants to assist individuals in securing financing for expenditures that otherwise would have qualified for income and franchise tax credits based on expenditures related to their business. The grants are in lieu of tax credits to target businesses without a tax liability, such as start-ups. The bill allows WEDC to pay grants from the economic development fund until January 1, 2015.

Long-Range Fiscal Implications

WEDC already has the authority to implement grant and loan programs, with approval from its board, including staffing the functional areas of promotion to business, underwriting, compliance, and finance. Under the current proposal, WEDC would be able to absorb the staffing costs of the additional program described in this bill. However, this assumes that other bills requiring WEDC to absorb the cost do not pass.

As a further consideration, this bill requires WEDC to fund this program through its Economic Development Fund, which is the pool of funding dedicated to WEDC board-approved economic development programs. By requiring WEDC to fund the program specified in this bill, it will divert staff resources and incentive funds away from other existing programs to this meet new statutory requirement.