## Fiscal Estimate - 2013 Session

Original Updated	Corrected S	Supplemental	
LRB Number 13-1600/1	Introduction Number SB	-053	
<b>Description</b> Entrepreneurial tax credit access grants			
Fiscal Effect			
Appropriations Rev	ease Existing enues rease Existing enues  \textstyle{\textstyle{1}} Increase Costs - \textstyle{1} to absorb within a \textstyle{1} Yes \textstyle{1} Decrease Costs	May be possible gency's budget \tag{\tag{No}}	
Permissive Mandatory Perr 2. Decrease Costs 4. Dec	rease Revenue Counties Counties	Affected /illage	
Fund Sources Affected  GPR FED PRO PRS	Affected Ch. 20 Approp	priations	
Agency/Prepared By	Authorized Signature	ıthorized Signature Date	
WEDC/ Sam Berndt (608) 210-6803	Amy Young (608) 210-6711 3/11		

## Fiscal Estimate Narratives WEDC 3/11/2013

LRB Number 13-1600/1	Introduction Number	SB-053	Estimate Type	Original		
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.