

Fiscal Estimate - 2015 Session

Original Updated Corrected Supplemental

LRB Number 15-3458/1	Introduction Number AB-0486
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Description Allowing taxpayers to claim early stage seed investment credits for investments in the fund of funds
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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"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Decrease Existing Appropriations	<input type="checkbox"/> Decrease Existing Revenues	
<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	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
<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	

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 WEDC/ John Parrish (608) 210-6869	Authorized Signature Amy Young (608) 210-6711	Date 11/23/2015
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Fiscal Estimate Narratives

WEDC 11/23/2015

LRB Number	15-3458/1	Introduction Number	AB-0486	Estimate Type	Original
Description					
Allowing taxpayers to claim early stage seed investment credits for investments in the fund of funds					

Assumptions Used in Arriving at Fiscal Estimate

WEDCs Early Stage Business Investment Program, also known as the Qualified New Business Venture (QNBV) program, provides tax credits to eligible Angel and Venture Fund investors who make cash equity investments in qualified early-stage businesses. A certified fund manager is eligible for Early Stage Seed tax credits when making investments in QNBV certified companies. An investment fund manager desiring certification for a specific fund shall submit an application to WEDC.

This bill allows a taxpayer to claim an early stage seed investment credit based on the taxpayer's investment through the state's fund of funds investment program in a qualified new business venture for taxable years beginning after December 31, 2015.

Although the bill does not require WEDC to expend existing budget, it could require additional staff resources to run the program if the number of fund managers who apply for certification increases. WEDC would be able to absorb such costs as described in this bill.

Long-Range Fiscal Implications