



## Fiscal Estimate Narratives

WHEDA 1/22/2018

LRB Number	17-5136/1	Introduction Number	AB-0869	Estimate Type	Original
<b>Description</b>					
Income and franchise tax credit for the development of low-income housing					

### Assumptions Used in Arriving at Fiscal Estimate

Possible reduction in state tax receipts could be up to \$42M, depending on usage.

On average, it has cost WHEDA approximately \$1.5M per year to allocate and monitor LIHTC. The federal LIHTC allocations total around \$13M. WHEDA does not use any of the allocation amount as fees but instead collects fees from the entities that receive the allocations. WHEDA anticipates a WI State LIHTC would be structured in similar fashion.

It is anticipated that WHEDA costs for a State LIHTC program would be tempered if the state program worked in conjunction with the federal program. There would be some efficiencies realized if these credits are allocated to the same portfolio of deals.

### Long-Range Fiscal Implications