

Fiscal Estimate - 2019 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 19-2504/1	Introduction Number AB-0167	
Description the creation of a local exposition district by the City of Superior		
Fiscal Effect		
State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input checked="" 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 checked="" type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input checked="" 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 <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 checked="" type="checkbox"/> Others <input type="checkbox"/> Expo District <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 checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.566(1)(gg)		
Agency/Prepared By DOR/ Travis Arthur (608) 266-8565	Authorized Signature Jamie Adams (608) 266-6785	Date 4/18/2019

Fiscal Estimate Narratives

DOR 4/18/2019

LRB Number	19-2504/1	Introduction Number	AB-0167	Estimate Type	Original
Description the creation of a local exposition district by the City of Superior					

Assumptions Used in Arriving at Fiscal Estimate

The bill permits the City of Superior to establish a local exposition district similar to that of the Milwaukee Exposition District. The district would be permitted to impose a food and beverage tax of 0.25% of 0.5% and a room tax subject to a maximum rate of 2.0%. The room tax would be in addition to any room tax imposed by the City of Superior.

The local fiscal effect depends on the taxes imposed and the rates set by the district.

Based on the ratio of food and beverage tax collections to general county sales tax collections in Milwaukee County, US Census Bureau information on the share of county retail sales that occur within the city, and county sales tax collections for Douglas County, the department estimates that a 0.5% food and beverage tax could generate roughly \$474,000 for the City of Superior.

Based on current room tax collections and rates in Superior, the department estimates that a 2.0% room tax would generate \$178,000 for the City of Superior.

The bill would result in a one-time administrative cost of \$20,160 to update the state's tax processing system. Under current law, the department administers the local food and beverage tax with the support of a 2.55% administrative fee. Ongoing administrative costs of \$7,000 for postage, supplies, and other expenses would be covered by the fee revenue. Assuming a 0.5% tax generates \$474,000 on an annual basis, the administrative fee revenue would be approximately \$12,000. A lower tax rate or lower than estimated revenues would result in lower administrative fee revenue.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2019 Session

Detailed Estimate of Annual Fiscal Effect

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Description the creation of a local exposition district by the City of Superior			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): One-time administrative cost of \$20,160 to update the state's tax processing system.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$	\$
	(FTE Position Changes)		
	State Operations - Other Costs		
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$	\$
B. State Costs by Source of Funds			
	GPR		
	FED		
	PRO/PRS		
	SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S		
	TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
	NET CHANGE IN COSTS	\$	\$
	NET CHANGE IN REVENUE	\$	\$ See text
Agency/Prepared By		Authorized Signature	Date
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