

### Fiscal Estimate - 2021 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>21-4359/1</b>	<b>Introduction Number</b> <b>AB-0717</b>
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**Description**  
 an income and franchise tax exemption for restaurant revitalization grants

**Fiscal Effect**

**State:**

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Indeterminate	<input checked="" type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

**Local:**

<input type="checkbox"/> No Local Government Costs	<b>5. Types of Local Government</b>	
<input type="checkbox"/> Indeterminate	<b>Units Affected</b>	
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	<input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Counties <input type="checkbox"/> Others <u>0</u>
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	<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	

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DOR/ Zach Petersen (608) 267-2428	Michael Oakleaf (608) 261-5173	11/18/2021

**Fiscal Estimate Narratives**

**DOR 11/18/2021**

LRB Number <b>21-4359/1</b>	Introduction Number <b>AB-0717</b>	Estimate Type <b>Original</b>
<b>Description</b> an income and franchise tax exemption for restaurant revitalization grants		

**Assumptions Used in Arriving at Fiscal Estimate**

The bill creates an income and franchise tax exemption for income received in the form of a grant from the Restaurant Revitalization Fund established by the federal American Rescue Plan Act of 2021. Under the bill, expenses used with the grant money may still be deducted from taxable income.

**Fiscal Estimate**

After a review of the Restaurant Revitalization Grant data from the U.S. Small Business Administration and 2019 tax returns, the bill will decrease revenues by an estimated \$15.6 million in FY2022, \$7.5 million in FY2023, and \$4.1 million in FY2024.

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2021 Session

Detailed Estimate of Annual Fiscal Effect

Original
  Updated
  Corrected
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<b>LRB Number</b> <b>21-4359/1</b>	<b>Introduction Number</b> <b>AB-0717</b>	
<b>Description</b> an income and franchise tax exemption for restaurant revitalization grants		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>		
<b>II. Annualized Costs:</b>	<b>Annualized Fiscal Impact on funds from:</b>	
	Increased Costs                      Decreased Costs	
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes	\$	\$
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR		
FED		
PRO/PRS		
SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$-15,600,000
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$-15,600,000</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$-15,600,000	\$
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
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