

### Fiscal Estimate - 2021 Session

Original     
  Updated     
  Corrected     
  Supplemental

LRB Number <b>21-2884/1</b>	Introduction Number <b>SB-279</b>
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**Description**  
 assistance to households and property owners

**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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Indeterminate	<input 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		
<input checked="" type="checkbox"/> Indeterminate	5. Types of Local Government Units Affected	
1. <input checked="" type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	<input type="checkbox"/> Towns <input type="checkbox"/> Village <input checked="" type="checkbox"/> Cities
<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others
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 type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

<b>Agency/Prepared By</b> DOR/ Craig Steinfeldt (608) 266-5705	<b>Authorized Signature</b> Jamie Adams (608) 266-6785	<b>Date</b> 4/13/2021
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## Fiscal Estimate Narratives

DOR 4/13/2021

LRB Number	<b>21-2884/1</b>	Introduction Number	<b>SB-279</b>	Estimate Type	<b>Original</b>
<b>Description</b> assistance to households and property owners					

### Assumptions Used in Arriving at Fiscal Estimate

The bill requires the department, counties, and municipalities to provide payments to every property taxpayer in this state. The amount is equal to approximately 10 percent of the property taxes levied on real property in 2020, less the amount of the school levy property tax credit and less the amount of any delinquent real property taxes, special assessments, special charges, or special taxes owed by the taxpayer. Under the bill, the governor must allocate \$1,067,824,380 from moneys received under the federal American Rescue Plan Act of 2021 to make payments under the bill. The bill provides an additional \$20,000,000 for administrative costs to the department, counties, and municipalities.

The 2019-20 net property tax levy was approximately \$10,678,243,832. Factoring in rounding, the department estimates the bill's cost slightly higher at \$1,067,824,500. Using the statewide average net property tax rate, the tax savings for a median value home valued at \$197,200 would be about \$362. The actual tax savings would vary by property value and net property tax rate. Based on equalized values, approximately 20 percent of the credit benefits commercial property with indeterminate number of properties being owned by out-of-state investors. Approximately 63 percent of residential property with improvements is a primary residence, while the other 37 percent represents second homes and other residential structures that could be owned by nonresidents.

The department's administrative costs are estimated at \$26,400 and cannot be absorbed. Administrative costs for county and municipal governments are indeterminate: the department is not responsible for the property tax bill calculation, distribution, or collection, and does not have parcel level data to make such determination.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2021 Session

Detailed Estimate of Annual Fiscal Effect

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<b>LRB Number</b> 21-2884/1	<b>Introduction Number</b> SB-279	
<b>Description</b> assistance to households and property owners		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  \$26,400		
<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	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$	\$
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
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