Fiscal Estimate - 2021 Session

☑ Original ☐ Updated	Corrected Supp	lemental			
LRB Number 21-1895/1	Introduction Number SB-0	97			
Description excluding from income grants received from the t	federal coronavirus relief fund	THE PARTIES AND THE PROPERTY OF THE PARTIES AND THE PARTIES AN			
Fiscal Effect					
Appropriations Rever	ease Existing absorb within agency's				
Permissive Mandatory Perm 2. Decrease Costs 4. Decre	5.Types of Local Governments ase Revenue assive Mandatory ease Revenue aissive Mandatory Districts 5.Types of Local Governments Units Affected Towns Counties Other School Districts Districts	ge Cities ers CS			
Fund Sources Affected Affected Ch. 20 Appropriations GPR FED PRO PRS SEG SEGS					
Agency/Prepared By	Authorized Signature	Date			
DOR/ Bradley Caruth (608) 261-8984	Ann DeGarmo (608) 266-7179	2/18/2021			

Fiscal Estimate Narratives DOR 2/18/2021

LRB Number	21-1895/1	Introduction Number	SB-097	Estimate Type	Original		
Description							
excluding from income grants received from the federal coronavirus relief fund							

Assumptions Used in Arriving at Fiscal Estimate

The bill provides and income tax exclusion for all income received in the form of a grant issued by the state with moneys received from the federal coronavirus relief fund. In addition, the bill provides that amounts otherwise deductible for state income tax purposes that are paid directly or indirectly with the grant money are also deductible.

The department expects the exclusion to reduce revenue by \$21.4 million in fiscal year 2021, \$3.0 million in fiscal year 2022, and \$1.5 million in fiscal year 2023. Because the filing season is already underway for tax year 2020 returns, the department expects to incur approximately \$25,000 of one-time administrative costs, primarily for letters, envelopes, and postage to recipients of grants. It is also possible that some grant recipients who are eligible for the exclusion under this bill will not choose to amend already-filed tax returns to claim the benefit of the exclusion. To the extent that claimants do not file amended returns, the fiscal effect of the bill will be reduced.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2021 Session

Detailed Estimate of Annual Fiscal Effect

☑ Original ☐ Updated		Corrected	Suppler	nental	
LRB Number 21-1895/1	A CONTRACTOR OF THE CONTRACTOR	Introduction Number SB-097			
Description					
excluding from income grants received from the				da !	
I. One-time Costs or Revenue Impacts for Sannualized fiscal effect):	state	and/or Local Governmer	it (ao not inciu	ae in	
amuanzed riscar enecty.					
	~~~				
II. Annualized Costs:	Annualized Fiscal Impact on funds from:				
		Increased Costs	Decre	eased Costs	
A. State Costs by Category			1		
State Operations - Salaries and Fringes		\$		\$	
(FTE Position Changes)					
State Operations - Other Costs					
Local Assistance					
Aids to Individuals or Organizations		ментикан катан жана жана жана жана жана жана жана			
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 wh	nen p	roposal will increase or o	decrease state	revenues	
(e.g., tax increase, decrease in license fee,	ets.)				
		Increased Rev	De	creased Rev	
GPR Taxes	umaumaumauma	\$		\$	
GPR Earned					
FED	THA 100 A CONTROL	autoprakungopikkana kestopen presidentaman arto kontronen arto anta arto anta arto anta arto anta arto anta ar	AUTONOMIA OF ANALYSIS OF A		
PRO/PRS					
SEG/SEG-S					
TOTAL State Revenues		\$		\$	
NET ANNU	ALIZI	ED FISCAL IMPACT			
	5234111002541000210	<u>State</u>		<u>Local</u>	
NET CHANGE IN COSTS		\$	\$ 		
NET CHANGE IN REVENUE	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	\$See Text		\$	
Agency/Prepared By	Aut	horized Signature		Date	
DOR/ Bradley Caruth (608) 261-8984	Ann	nn DeGarmo (608) 266-7179 2/18/2021			