

### Fiscal Estimate - 2023 Session

Original              
  Updated              
  Corrected              
  Supplemental

<b>LRB Number</b> <b>23-3102/1</b>	<b>Introduction Number</b> <b>SB-0308</b>	
<b>Description</b> a sales and use tax exemption for data center equipment or software		
<b>Fiscal Effect</b>		
<b>State:</b>		
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease 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"/> Decrease Costs
<b>Local:</b>		
<input checked="" type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs                     3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input 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	<b>5. Types of Local Government Units Affected</b> <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
<b>Fund Sources Affected</b>		
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS		
<b>Affected Ch. 20 Appropriations</b>		
<b>Agency/Prepared By</b>		
WEDC/ Rachael Wilson (608) 210-6888		
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<b>Date</b>		
6/1/2023		

## Fiscal Estimate Narratives

WEDC 6/1/2023

LRB Number	23-3102/1	Introduction Number	SB-0308	Estimate Type	Original
<b>Description</b> a sales and use tax exemption for data center equipment or software					

### Assumptions Used in Arriving at Fiscal Estimate

This bill requires the Wisconsin Economic Development Corporation to certify a new sales and use tax exemption for equipment or software used at a qualified data center. Qualified data centers must make a minimum investment based on county population to be certified for the exemption. The bill creates two new sections of the statutes. 1) Section 77.54 (70) defines a tax exemption for the sale of and the storage, use, or other consumption of equipment or software used at a qualified data center for the processing, storage, retrieval, or communication of data. 2) Section 238.40 defines qualified data centers, eligible data center costs, and qualified investments.

WEDC assumes additional staffing will be necessary to satisfy the administration and certification requirements outlined in the bill.

No additional funding for staffing or administration is made available through this proposal. Thus, adding these requirements to the corporation will reduce resources available for other activities and programs.

### Long-Range Fiscal Implications