

### Fiscal Estimate - 2023 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>23-3542/1</b>	<b>Introduction Number</b> <b>SB-0353</b>
<b>Description</b> a sales and use tax exemption for gun safety items	
<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"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
<b>Local:</b> <input 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 checked="" type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input checked="" 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 checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
<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> DOR/ Travis Arthur (608) 266-8565	<b>Authorized Signature</b> Robert Schmidt (608) 266-5773
<b>Date</b> 7/14/2023	

## Fiscal Estimate Narratives

DOR 7/14/2023

LRB Number	23-3542/1	Introduction Number	SB-0353	Estimate Type	Original
<b>Description</b> a sales and use tax exemption for gun safety items					

### Assumptions Used in Arriving at Fiscal Estimate

The bill creates a sales/use tax exemption for the sale and purchase of guns safes, trigger locks and gun barrel locks.

According to the US Census Bureau's 2017 Economic Census, Wisconsin sales of firearms, hunting equipment, and supplies (NAPCS collection code 5001075003), totaled \$113.2 million in 2017. Using department data for NAICS 45111 (the primary sales location of collection code 5001075003) and assuming the exempt products represent 5% of sales within collection code 5001075003, the department estimates FY 24 sales/use tax collections to decrease by about \$310,000 on an annualized basis.

County taxes were 8.1% of state sales taxes in FY22. Assuming this percentage does not change, county sales and use taxes would decrease by \$25,100.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2023 Session

Detailed Estimate of Annual Fiscal Effect

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<b>LRB Number</b> <b>23-3542/1</b>	<b>Introduction Number</b> <b>SB-0353</b>
<b>Description</b> a sales and use tax exemption for gun safety items	
<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. 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, ets.)</b>	
	Increased Rev
	Decreased Rev
GPR Taxes	\$
GPR Earned	\$-310,000
FED	
PRO/PRS	
SEG/SEG-S	
<b>TOTAL State Revenues</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>	
	<u>State</u>
	<u>Local</u>
NET CHANGE IN COSTS	\$
NET CHANGE IN REVENUE	\$-310,000
	-\$25,100
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>
DOR/ Travis Arthur (608) 266-8565	Robert Schmidt (608) 266-5773
	<b>Date</b>
	7/14/2023