

Fiscal Estimate - 2023 Session

Original
 Updated
 Corrected
 Supplemental

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| LRB Number 23-2500/1 | Introduction Number SB-0451 |
| Description allowing certain municipalities to increase the rate of the premier resort area tax | |
| Fiscal Effect | |
| State: | |
| <input type="checkbox"/> No State Fiscal Effect <input checked="" 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 type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs |
| Local: | |
| <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate | |
| 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input checked="" type="checkbox"/> Increase Revenue <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |
| 5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input checked="" type="checkbox"/> Others <input type="checkbox"/> Lake Delton, Wisconsin Dells <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts | |
| Fund Sources Affected | |
| <input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS | |
| Affected Ch. 20 Appropriations | |
| 20.835 (4) (gd), 20.566(1)(gf) | |
| Agency/Prepared By | Authorized Signature |
| DOR/ Travis Arthur (608) 266-8565 | Robert Schmidt (608) 266-5773 |
| Date | |
| 9/26/2023 | |

Fiscal Estimate Narratives

DOR 9/26/2023

| | | | | | |
|-----------------------------------------------------------------------------------------------------------|------------------|---------------------|----------------|---------------|-----------------|
| LRB Number | 23-2500/1 | Introduction Number | SB-0451 | Estimate Type | Original |
| Description allowing certain municipalities to increase the rate of the premier resort area tax | | | | | |

Assumptions Used in Arriving at Fiscal Estimate

This bill allows any municipality that has enacted an ordinance imposing a premier resort area tax that was effective before January 1, 2000, to amend the ordinance to increase its premier resort area tax rate up to a maximum of 1.5 percent. The proceeds from the increase in the premier resort area tax rate allowed under the bill must be used only to pay for public safety expenses.

Both Wisconsin Dells and Lake Delton currently impose a 1.25 percent premier resort area tax that was effective before January 1, 2000. The increase in premier resort area tax revenue will depend on the approval and timing of ordinance changes.

The premier resort area tax distributions for the 12 months ending August 2023 totaled \$2.9 million for Wisconsin Dells and \$9.1 million for Lake Delton. An increase of 0.25 percentage points would have generated an additional \$590,000 in Wisconsin Dells and \$1.8 million in Lake Delton over those 12 months. Any growth in the tax base between August of 2023 and when new rates go into effect would lead to a modest increase in the additional revenue.

DOR's administrative costs are covered by the administrative fee under current law. The fee would increase by 3% of the additional tax revenues.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2023 Session

Detailed Estimate of Annual Fiscal Effect

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| | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|-------------------------------|
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| Description allowing certain municipalities to increase the rate of the premier resort area tax | | |
| I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): | | |
| II. Annualized Costs: | | |
| | Annualized Fiscal Impact on funds from: | |
| | Increased Costs Decreased Costs | |
| A. State Costs by Category | | |
| State Operations - Salaries and Fringes | \$ | \$ |
| (FTE Position Changes) | | |
| State Operations - Other Costs | | |
| Local Assistance | | |
| Aids to Individuals or Organizations | | |
| 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 when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.) | | |
| | Increased Rev | Decreased Rev |
| GPR Taxes | \$ | \$ |
| GPR Earned | | |
| FED | | |
| PRO/PRS | | |
| SEG/SEG-S | | |
| TOTAL State Revenues | \$ | \$ |
| NET ANNUALIZED FISCAL IMPACT | | |
| | <u>State</u> | <u>Local</u> |
| NET CHANGE IN COSTS | \$ | \$ |
| NET CHANGE IN REVENUE | \$See Text | \$See Text |
| Agency/Prepared By | | |
| Authorized Signature | | Date |
| DOR/ Travis Arthur (608) 266-8565 | | Robert Schmidt (608) 266-5773 |
| | | 9/26/2023 |