

**FISCAL ESTIMATE FORM**

**2011 Session**

- ORIGINAL       UPDATED  
 CORRECTED       SUPPLEMENTAL

<b>LRB #</b> 11-
<b>INTRODUCTION #</b>
Admin. Rule # Chapter tax 3.05

**Subject PROPOSED ORDER OF THE DEPARTMENT OF REVENUE CREATING RULES FOR INCOME TAX DEDUCTION FOR JOB CREATION**

**Fiscal Effect**

**State:**  No State Fiscal Effect  
 Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

<input type="checkbox"/> Increase Existing Appropriation	<input type="checkbox"/> Increase 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 Existing Appropriation	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriation	<input type="checkbox"/> Decrease Costs	

**Local:**

No Local Government Costs

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Governmental Units Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others _____ <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

**Fund Sources Affected**

- GPR    FED    PRO    PRS    SEG    SEG-S

**Affected Ch. 20 Appropriations**

**Assumptions Used in Arriving at Fiscal Estimate:**

The proposed rule order does the following:

- 1) clarifies certain terms as they apply to the job creation deduction under ss. 71.05 (6) (b) 47., 71.26 (1) (h), and 71.45 (1) (c), Stats., as created by 2011 Wisconsin Act 5;
- 2) prescribes the methods by which the average employee count is computed for purposes of determining the amount of the deduction; and
- 3) clarifies how the deduction applies to partnerships, limited liability companies, tax-option corporations, and professional employer organizations.

The fiscal effect of the job creation deduction was included in the fiscal estimate for 2011 Act 5. As such, the proposed rule has no fiscal effect.

(continued on page two)

**Long-Range Fiscal Implications:**

Agency/Prepared by Wisconsin Department of Revenue	Authorized Signature/Telephone No.	Date
/Michael Oakleaf 608-261-5173	Rebecca Boldt 608 266-6785	03/08/11

**FISCAL ESTIMATE WORKSHEET**

Detailed Estimate of Annual Fiscal Effect

**2011 Session**

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**Subject PROPOSED ORDER OF THE DEPARTMENT OF REVENUE CREATING RULES FOR INCOME TAX DEDUCTION FOR JOB CREATION**

**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 State funds from:	
A. State Costs by Category	Increased Costs	Decreased Costs
State Operations - Salaries and Fringe	\$	\$ -
(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. State Costs by Source of Funds	Increased Costs	Decreased Costs
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		-
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$ -</b>

**NET ANNUALIZED FISCAL IMPACT**

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ -	\$ 0
NET CHANGE IN REVENUES	\$ 0	\$ 0

Agency/Prepared by Wisconsin Department of Revenue Michael Oakleaf 608-261-5173	Authorized Signature/Telephone No. Wisconsin Department of Revenue Rebecca Boldt 608 266-6785	Date 03/08/11
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