



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #515

General Fund Transfer to Transportation Fund (Miscellaneous Appropriations)

[LFB 2003-05 Budget Summary: Page 303, #3]

CURRENT LAW

A provision of 2001 Act 16 exempted airlines with hub facilities in the state from the payment of ad valorem taxes on airline property and required that an annual payment be made from the general fund to the transportation fund, beginning in 2004-05, that is equal to the amount that the exempted airlines paid in the final year that they made payments before the exemption became effective. The exemption currently applies to two airlines, Midwest Airlines and Air Wisconsin Airlines, both of which last paid ad valorem taxes in 2000.

GOVERNOR

Provide \$2,500,000 GPR in 2004-05 in the appropriation for making a transfer to the transportation fund and increase estimated transportation fund revenue by a corresponding amount.

MODIFICATION

Increase funding in the transfer appropriation by \$30,400 GPR in 2004-05 and increase transportation fund revenue by a corresponding \$30,400.

Explanation: The bill estimated the transfer at \$2,500,000 in 2004-05. However, since the transfer is based on ad valorem tax payments made by the two exempt airlines in 2000, the amount of the transfer is known. This modification would reestimate the sum sufficient appropriation funding equal to the actual transfer.

<u>Modification</u>	<u>GPR</u>	<u>SEG</u>
2003-05 REVENUE (Change to Bill)		\$30,400
2003-05 FUNDING (Change to Bill)	\$30,400	

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