



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #651

County Sales Tax Administration Lapse (DOR -- Tax Administration)

CURRENT LAW

Wisconsin counties can impose a 0.5% sales tax on the same goods and services that are subject to the state sales tax. The county sales tax is "piggybacked" onto the state sales tax in that the county tax is administered, enforced, and collected by the Department of Revenue (DOR). DOR retains 1.75% of the county sales taxes it collects in a program revenue appropriation to cover administrative costs. The year-end unencumbered balance in the appropriation is lapsed to the general fund. Currently, 57 counties impose the tax.

GOVERNOR

Estimate the lapse to the general fund from the county sales tax administration appropriation to be \$844,800 in both years of the biennium.

MODIFICATION

Make the following reestimates:

	2003-04		2004-05		
<u>Budget Bill</u>	<u>Revised</u>	<u>Increase</u>	<u>Budget Bill</u>	<u>Revised</u>	<u>Increase</u>
\$844,800	\$939,700	\$94,900	\$844,800	\$1,098,900	\$254,100

Explanation: The new GPR-Earned estimate is based on more recent projections of county sales tax revenues that will be collected by the Department during the 2003-05 biennium.

<u>Modification</u>	<u>GPR</u>
2003-05 REVENUE (Change to Bill)	\$349,000

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