



Legislative Fiscal Bureau

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March 24, 2025

TO: Members
Wisconsin Legislature

FROM: Bob Lang, Director

SUBJECT: State Tax and Fee Modifications Included in the Governor's 2025-27 Budget Recommendations

The attached table provides a brief description of each state tax and fee modification proposed in the Governor's version of the budget (SB 45/AB 50). The table consists of three parts: (a) tax increases and decreases; (b) fee increases and decreases; and (c) enhanced collection measures. Each entry in the table includes the agency name, the Legislative Fiscal Bureau's budget document item that describes the change in more detail, a brief summary of the proposed modification, and an estimate of the revenue change due to the tax or fee modification.

In the table, GPR represents general fund revenue. Revenue to a program revenue account is signified by PR and SEG signifies revenue to a segregated fund. TANF refers to federal funding from the temporary assistance for needy families block grant. "Unknown" means that no estimate of the revenue impact is available at this time.

In summary, the changes included in the Governor's budget would increase net taxes by \$2,223,493,200 (\$1,246,602,400 in 2025-26 and \$976,890,800 in 2026-27) and would increase net fees by \$356,301,800 (\$149,133,200 in 2025-26 and \$207,168,600 in 2026-27). In addition, it is estimated that measures included in SB 45/AB 50 to enhance the collection of current taxes would generate an additional \$189,420,400 (\$84,976,300 in 2025-26 and \$104,444,100 in 2026-27).

The sum of these revenue changes in the 2025-27 biennium follows:

Net Tax and Fee Changes

	<u>2025-26</u>	<u>2026-27</u>	<u>Total</u>
GPR	\$1,283,627,300	\$1,014,506,400	\$2,298,133,700
PR	2,192,800	6,269,200	8,462,000
SEG	145,821,300	199,840,300	345,661,600
TANF	<u>-35,905,800</u>	<u>-36,556,500</u>	<u>-72,462,300</u>
Total	\$1,395,735,600	\$1,184,059,400	\$2,579,795,000

Enhanced Collection Measures

	<u>2025-26</u>	<u>2026-27</u>	<u>Total</u>
GPR	\$84,976,300	\$104,444,100	\$189,420,400

	2025-26	2026-27	Fund Source
TAX INCREASES			
ADMINISTRATION			
Occupational Taxes on Bingo Gross Receipts. [Page 55, Item 9]. Modify occupational taxes imposed on bingo gross receipts. Under current law, a 1% tax is imposed on the first \$30,000 in gross receipts are taxed and a 2% tax is imposed on gross receipts exceeding \$30,000. The bill would repeal the current 1% tax and a 2% tax would be imposed on all bingo gross receipts.	Unknown	Unknown	PR
GENERAL FUND TAXES			
9.8% Income Tax Rate. [Page 208, Item 1]. Beginning in tax year 2025, impose an individual income tax rate of 9.8% on taxable income exceeding \$1 million (\$500,000 for married-separate filers).	\$719,300,000	\$578,400,000	GPR
Manufacturing and Agriculture Tax Credit (MAC) Limitation. [Page 209, Item 2]. Limit the amount of qualified production activities income from manufacturing activities a claimant may use to compute the MAC to no more than \$300,000, beginning in tax year 2025. This provision would effectively provide for a maximum manufacturing MAC claim of \$22,500 per business.	\$418,459,900	\$373,840,800	GPR
Internal Revenue Code (IRC) Update. [Page 210, Item 3]. Modify state income and franchise tax references to the IRC to adopt the following provisions of the Tax Cuts and Jobs Act of 2017, P.L. 115-97, beginning in tax year 2025: (a) loss limitation for taxpayers other than corporations; (b) accounting rules for accrual method taxpayers; (c) limitation on the deduction for business interest; (d) limitation on the deduction for entertainment, amusement, and recreation expenses; (e) limitation on the deduction of Federal Deposit Insurance Corporation premiums; and (f) modification of the limitation on the deduction for highly paid individuals.	\$237,400,000	\$250,400,000	GPR
Limit Capital Gains Exclusion. [Page 211, Item 4]. Limit the current law exclusion for 30% of an individual's net long-term, nonfarm capital gain, beginning in tax year 2025. Prohibit an individual with federal adjusted gross income (AGI) above the following thresholds from claiming the exclusion: (a) \$400,000 if single or head-of-household; (b) \$533,000 if married-joint; and (c) \$266,500 if married-separate. However, if an individual's federal AGI less 30% of the capital gain is below the applicable AGI threshold, the individual's exclusion would be reduced by the amount by which their federal AGI exceeds that threshold amount.	\$242,500,000	\$177,600,000	GPR
Limit Private School Tuition Deduction. [Page 213, Item 8]. Beginning in tax year 2025, prohibit individuals with Wisconsin AGI at or above the following thresholds from claiming the current law deduction for a student to attend an eligible private K-12 institution: (a) \$100,000 if single or head-of-household; (b) \$150,000 if married-joint; and (c) \$75,000 if married-separate.	\$6,500,000	\$6,500,000	GPR
Dividends Received Deduction Limitation. [Page 215, Item 10]. Specify that corporations may not use the dividends received deduction in computing a net business loss under the state corporate income/franchise tax. This provision would first apply to tax year 2025.	\$3,200,000	\$3,200,000	GPR

	2025-26	2026-27	Fund Source
Repeal Exemption for Farm-Raised Deer. [Page 223, Item 8]. Repeal the exemption from the general sales and use tax for farm-raised deer sold to a person who is operating a hunting preserve or game farm in this state. This provision would take effect on the first day of the third month beginning after publication of the bill.	\$90,000	\$120,000	GPR
Excise Taxes on Recreational Marijuana. [Page 224, Item 1]. Impose an excise tax on marijuana producers at a rate of 15% of the sales price on wholesale sales or transfers in this state of marijuana to marijuana processors, which would also apply to a microbusiness that transfers marijuana to a processing operation within the microbusiness. Impose an excise tax on marijuana retailers at a rate of 10% of the sales price on retail sales of usable marijuana. Sales of medical marijuana to a purchaser holding a valid tax exemption certificate would not be subject to the retail excise tax. This provision would increase revenues by \$56.7 million in 2026-27, \$110.7 million in 2027-28, and \$143.4 million in 2028-29.	Minimal	\$56,700,000	GPR
Vapor Products Tax. [Page 224, Item 2]. Convert the vapor products tax from a unit-based tax (five cents per milliliter of the liquid) to a price-based tax equal to 71% of the manufacturer's established list price to distributors in this state. Expand the definition of vapor products subject to tax to include liquid sold separately from the heating device. This provision would take effect on the first day of the third month beginning after publication of the bill.	\$15,100,000	\$26,300,000	GPR
Impose Cigarette Tax on Little Cigars. [Page 225, Item 3]. Change the tobacco products tax currently imposed on little cigars (71% of actual cost up to 50 cents per cigar) to be set at the same rate as currently imposed on cigarettes (\$2.52 per pack of 20 cigarettes). Little cigars held in inventory on the day of the rate change would be subject to an inventory tax. This provision would take effect on the first day of the third month beginning after publication of the bill.	\$2,115,000	\$2,880,000	GPR
Enterprise Zone Limit. [Page 233, Item 17]. Allow the Wisconsin Economic Development Corporation (WEDC) to designate up to 30 enterprise zones without approval of the Joint Committee on Finance. Under current law, WEDC may designate an unlimited number of enterprise zones, with each designation subject to approval by the Committee under a 14-day passive review process.	Unknown	Unknown	GPR
Wage Threshold for Enterprise Zone and Business Development Tax Credits. [Page 234, Item 18]. Increase the required wage thresholds under both the enterprise zone and business development tax credit programs from \$22,620 for Tier I and \$30,000 for Tier II counties and municipalities to \$34,220 and \$45,390, respectively, for the job creation and job retention credits under both programs. Increase the maximum wage threshold such that the zone payroll for both tax credit programs would include wages paid to any full-time employee up to \$151,300 as creditable wages (rather than \$100,000). Prohibit initial training before employment begins to qualify for job creation credits. These provisions would take effect for tax year 2026 and, beginning on January 1, 2027, the wage thresholds and limits would be adjusted for inflation each year.	Unknown	Unknown	GPR

	2025-26	2026-27	Fund Source
HEALTH SERVICES			
<p>Hospital Assessment and Hospital Reimbursement Payments. [Page 254, Item 5]. Increase the amount that the Department of Health Services (DHS) must collect in acute care hospital assessment revenues by \$927,332,200 annually from \$414,507,300, under current law, to \$1,341,839,500. As with the current assessment, DHS would establish a uniform percentage of gross patient revenue to collect the specified amount. Increase revenue collected under the separate critical access hospital assessment by \$10,439,800 annually to reflect the impact of the higher uniform percentage used for the acute care hospital assessment, which is then also applied to each critical access hospital's gross inpatient revenues for that assessment. DHS estimates that the hospital assessment percentage would increase from 0.6% currently to approximately 1.9% under this item.</p> <p>Since a portion of the proceeds from hospital assessments is used, in combination with federal Medicaid matching funds, for making hospital access payments under MA, the total increase in payments received by hospitals, in aggregate, would exceed the amount of the increase in assessments paid by hospitals. Specifically, access payments to acute care hospitals would be increased by \$1,478.8 million annually, for a net gain to those hospitals of \$551.5 million (the difference between the increase in the assessment and the increase in the payments), and access payments to critical access hospitals would be increase by \$41.6 million annually, for a net gain of \$31.2 million. Because of this relationship between hospital assessments and payments made to hospitals, the proposed increase to the assessments are noted here, but not included in the column totals.</p>	See Text	See Text	SEG
SUBTOTAL -- TAXES -- INCREASES	\$1,644,564,900	\$1,475,940,800	GPR
TAX DECREASES			
GENERAL FUND TAXES			
<p>Increase Personal Exemption. [Page 212, Item 5]. Beginning in tax year 2025, increase the personal exemption for each taxpayer, spouse, and dependent from \$700 to \$1,200.</p>	-\$112,400,000	-\$113,500,000	GPR
<p>Universal Changing Stations Credit. [Page 212, Item 6]. Create a nonrefundable income and franchise tax credit, beginning in tax year 2025, equal to 50% of the amount the claimant paid during the taxable year to install a universal changing station. No claimant could claim a credit: (a) of more than \$5,125 in a taxable year; or (b) if the claimant had more than 30 full-time employees or \$1 million of gross receipts in the preceding taxable year.</p>	-\$5,300,000	-\$10,600,000	GPR
<p>Exclude Cash Tips from Income. [Page 213, Item 7]. Beginning in tax year 2025, create an individual income tax exclusion for amounts received as cash tips by an employee from the customers of the employee's employer.</p>	-\$6,700,000	-\$6,900,000	GPR

	2025-26	2026-27	Fund Source
Low-Income Housing Tax Credit. [Page 214, Item 9]. Increase from \$42 million to \$100 million the total amount of the state housing tax credits the Wisconsin Housing and Economic Development Authority may certify to be claimed annually. The credit is allocated to multifamily housing developments with below-market rents and that reserve minimum percentages of units for households at or below certain income levels. The provision would reduce state tax revenues by an estimated \$1,450,000 in 2025-26, \$7,250,000 in 2026-27, \$13,050,000 in 2027-28, and \$18,850,000 in 2028-29, fully phasing in to a decrease of \$58 million in 2031-32. The bill as introduced does not specify the initial applicability of changes to the credit.	-\$1,450,000	-\$7,250,000	GPR
Flood Insurance Premiums Credit. [Page 215, Item 11]. Create a nonrefundable individual income tax credit, beginning in tax year 2025, equal to the lesser of 10% of the amount of premiums paid during the tax year for flood insurance or \$60.	-\$400,000	-\$400,000	GPR
Expand Disability Income Exclusion. [Page 215, Item 12]. Increase the annual limit on the exclusion for certain disability income received by persons under age 65 to \$5,500 (from \$5,200), beginning in tax year 2025, and make the exclusion available to otherwise eligible married-separate filers. Increase the federal AGI level at which the exclusion is eliminated to: (a) \$30,000 if single or head-of-household; (b) \$60,000 if married-joint; and (c) if married-separate, \$60,000 of total combined income for both spouses.	-\$260,000	-\$260,000	GPR
Increase Adoption Expenses Deduction. [Page 216, Item 13]. Increase the maximum adoption expenses deduction amount to \$15,000 (from \$5,000), beginning in tax year 2025.	-\$90,000	-\$90,000	GPR
Deduction for Union Dues. [Page 216, Item 14]. Create an individual income tax deduction for the amount of membership dues and expenses paid to a labor organization, beginning in tax year 2027. Estimate decreased tax revenues of \$4,000,000 annually, beginning in 2027-28.	See Text	See Text	GPR
Catastrophe Savings Accounts. [Page 217, Item 15]. Allow a person to designate an account they establish at a financial institution as a catastrophe savings account established solely to hold savings to be used for eligible withdrawals. Deposits could be made into the account tax-free, subject to annual limits if the individual has an insurance policy providing coverage for a catastrophic event. Any increase in value in the account would be excluded from taxable income. Account withdrawals could be made tax-free if used for certain expenses caused by certain catastrophic events.	Minimal	Minimal	GPR
Supplement to the Federal Historic Rehabilitation Credit. [Page 218, Item 16]. Modify the state supplement to the federal historic rehabilitation credit, beginning in tax year 2026, to: (a) remove the required \$50,000 minimum expenditure; (b), remove the requirement to claim the state credit at the same time as the federal credit; and (c) prohibit pass-through entities from computing and claiming the credit, unless the entity elects to pay tax at the entity level.	Minimal	Minimal	GPR
Exemption for Residential Electricity and Natural Gas. [Page 219, Item 1]. Provide an exemption from the general sales and use tax for electricity and natural gas sold for residential use during the months of May through October. This provision would take effect on the first day of the third month beginning after publication of the bill.	-\$49,700,000	-\$105,900,000	GPR

	2025-26	2026-27	Fund Source
Exemption for Over-the-Counter Medication. [Page 219, Item 2]. Provide an exemption from the general sales and use tax for sales of over-the-counter drugs. This provision would take effect on the first day of the third month beginning after publication of the bill.	-\$29,775,000	-\$40,800,000	GPR
Exemption for Diapers and Feminine Hygiene Products. [Page 220, Item 3]. Provide an exemption from the general sales and use tax for sales of diapers and feminine hygiene products. This provision would take effect on the first day of the third month beginning after publication of the bill.	-\$14,850,000	-\$20,420,000	GPR
Exemption for Energy Systems. [Page 220, Item 4]. Expand the current law exemption from the general sales and use tax to include tangible personal property used to store or facilitate the storage of electrical or heat energy produced by a solar, wind, or biogas renewable energy system. This provision would take effect on the first day of the third month beginning after publication of the bill.	-\$3,200,000	-\$4,500,000	GPR
Exemption for Breastfeeding Equipment. [Page 221, Item 5]. Provide an exemption from the general sales and use tax for breast pumps, breast pump kits, and breast pump storage and collection supplies. This provision would take effect on the first day of the third month beginning after publication of the bill.	-\$562,500	-\$750,000	GPR
Exemption for Gun Safety Equipment. [Page 221, Item 6]. Provide an exemption from the general sales and use tax for sales of gun safes, trigger locks, and gun barrel locks. This provision would take effect on the first day of the third month beginning after publication of the bill.	-\$525,000	-\$720,000	GPR
Exemption for Certain Planning and Counseling Services. [Page 222, Item 7]. Provide a general sales and use tax exemption for landscape planning and counseling services that pertain to the restoration, reclamation, or revitalization of prairie, savanna, or wetlands, if such services are provided under a separate and optional fee distinct and identifiable from other taxable services. This provision would take effect on the first day of the third month following publication of the bill.	-\$450,000	-\$660,000	GPR
Sales Tax on Marijuana. [Page 223, Item 9]. Provide an exemption from the general sales and use tax for sales of medical marijuana, if the purchaser holds a valid tax exemption certificate that indicates they are a member of the medical marijuana registry.	Minimal	Minimal	GPR
Exemption for Telecommunication Towers. [Page 227, Item 1]. Provide an exemption from telephone company utility taxes for certain radio, cellular, and telecommunication towers. This exemption would first apply to tax assessments as of January 1, 2026.	Minimal	-\$1,500,000	GPR
Homestead Credit Expansion. [Page 228, Item 3]. Increase the income level at which the homestead credit begins to phase out to \$19,000 (income threshold), increase the income level above which no credit is allowed (maximum income level) to \$37,500, and reduce the rate at which the credit phases out (phase-out rate) to 7.891%, beginning in tax year 2025. Beginning in tax year 2026, index for inflation: (a) the maximum allowable property taxes or rent constituting property taxes; (b) the income threshold; and (c) the maximum income level. This provision would increase GPR expenditures by \$71.6 million in 2025-26, \$76.2 million in 2026-27, and \$83.2 million in 2027-28.	-\$71,600,000	-\$76,200,000	GPR

	2025-26	2026-27	Fund Source
Veterans Property Tax Credit for 70% Disability Rating. [Page 229, Item 6]. Extend eligibility for the current law veterans and surviving spouses property tax credit to otherwise eligible veterans with a service-connected disability rating of at least 70%, and to the unremarried surviving spouses of such veterans, beginning in tax year 2025. The credit amount would be calculated by multiplying the disability rating by the amount of property taxes the claimant could otherwise claim.	-\$31,400,000	-\$35,100,000	GPR
Veterans Property Tax Credit for Renters. [Page 230, Item 7]. Expand the veterans and surviving spouses property tax credit by providing the credit to eligible renters, beginning in tax year 2025. An eligible claimant could claim the credit for 100% of rent constituting property taxes. For married-separate filers, each spouse could claim the rent credit based on 50% of the total rent constituting property taxes paid for the eligible veteran's principal dwelling.	-\$10,900,000	-\$12,100,000	GPR
Expand Earned Income Credit. [Page 231, Item 9]. Specify that the percentage of the federal earned income tax credit that may be claimed as a state credit would be increased to 16% (from 4%) for claimants with one qualifying child and to 25% (from 11%) for claimants with two qualifying children, beginning in tax year 2025.	-\$22,494,200 -\$35,905,800	-\$21,943,500 -\$36,556,500	GPR TANF
Business Development Credit for Workforce Housing. [Page 232, Item 13]. Expand investments eligible for business development workforce housing credits to include contributions made to a third party responsible for building or rehabilitating workforce housing, including contributions made to a local revolving loan fund program. Remove the requirement that the investment be for workforce housing for the claimant's employees. This provisions would first apply beginning in tax year 2025.	Unknown	Unknown	GPR
Wage Threshold for Enterprise Zone and Business Development Tax Credits. [Page 234, Item 18]. Allow WEDC to certify a claimant to earn enterprise zone job retention credits for more than five years (including existing enterprise zone contracts). Under current law, job retention credits can be claimed for no more than five consecutive years.	Unknown	Unknown	GPR
Research Credit for Nuclear Power. [Page 237, Item 20]. Provide enhanced research credit percentages if the qualified expenses incurred are for research related to nuclear power conducted in this state. The credit would equal 11.5% (rather than 5.75%) of the amount by which qualified research expenses exceed 50% of the average qualified research expenses for the three taxable years immediately preceding the year in which the credit is claimed. If the taxpayer had no qualified research expenses in any of the three preceding tax years, the credit would equal 5.75% (rather than 2.875%) of qualified research expenses.	Unknown	Unknown	GPR
Marijuana Tax Refunds. [Page 237, Item 21]. Allow the Department of Revenue (DOR) to enter into an agreement with federally-recognized American Indian tribes or bands in this state: (a) for the administration and enforcement of marijuana excise taxes and regulation; and (b) to provide refunds of the excise taxes imposed on marijuana sold on tribal land by, or to, enrolled members of the tribe or band residing on the tribal land. This provision would increase GPR expenditures by \$2,900,000 in 2026-27, \$5,600,000 in 2027-28, and \$7,300,000 in 2028-29.	Minimal	-\$2,900,000	GPR

	2025-26	2026-27	Fund Source
Film Production Tax Credit. [Page 238, Item 25]. Create the film production services tax credit to provide the following credits for producing an accredited production in the state: (a) a nonrefundable credit equal to 25% of employee wages (up to \$250,000 per employee); (b) a refundable credit equal to 25% of production expenditures; and (c) a nonrefundable credit equal to the state sales and use tax (5%) paid on certain taxable goods and services. Create the nonrefundable film production company investment credit equal to 25% of the following expenditures to establish a film production company in Wisconsin: (a) the purchase price of certain property purchased after December 31, 2025; and (b) the amount expended to acquire, construct, rehabilitate, remodel, or repair real property if the expenditures occur after, or if the completed project is placed in service after, December 31, 2025. Both credits would take effect in tax year 2026 and be administered by the Department of Tourism. This provision would reduce state tax revenue by \$5 million and increase GPR expenditures by \$5 million annually beginning in 2027-28.	See Text	See Text	GPR
SUBTOTAL -- TAXES -- DECREASES	-\$362,056,700 -\$35,905,800	-\$462,493,500 -\$36,556,500	GPR TANF
FEE INCREASES			
ADMINISTRATION			
Land Information Program Fees. [Page 26, Item 9]. Increase the recording and filing fee from \$30 to \$45 and specify that a county must submit \$30 of the fee to the Department of Administration (DOA), unless the county meets the criteria to retain \$15 of the submitted fee. Under current law, DOA's Division of Intergovernmental Relations administers the land information program which provides technical assistance and grants to local governments for their land information systems. Counties are currently required to collect a general fee of \$30 to record or file an instrument, of which \$15 is transferred to DOA for the land information program. However, a county may retain \$8 of the submitted fee (\$22 in total) if they meet certain requirements such as establishing a land information office and council. According to DOA, all 72 counties are eligible to retain \$22 of the fee. Base funding for the program is \$6,945,300 SEG.	\$8,294,100	\$8,294,100	SEG
Bingo and Raffle License Fees. [Page 55, Item 9]. Increase bingo and raffle license fees to cover costs for the license modernization project and the support the Office of Charitable Gaming as a whole. Each fee would increase by 100% as follows: a \$10 annual bingo license, a \$20 license fee for each bingo occasion, and a \$50 annual raffle license. In calendar year 2023, DOA issued 308 bingo licenses and 12,299 raffle licenses.	\$390,400	\$390,400	PR
AGRICULTURE, TRADE AND CONSUMER PROTECTION			
Marijuana Regulation. [Page 74, Item 5]. Create a permit for producing or processing marijuana. Establish an annual fee of \$2,000 for processors. Establish an annual permit fee of \$1,800 for producers of up to 1,800 plants, \$2,900 for producers of up to 3,600 plants, \$3,600 for producers of up to 6,000 plants, \$5,100 for producers of up to 10,200 plants, and \$7,100 plus \$800 for every 3,600 plants more than 10,200. Additionally, require a \$250 fee for all permit applications. No specific estimate is provided for revenues generated from producer and processor permits. The bill budgets \$521,800 PR in expenditure authority over the biennium associated with fees from marijuana permitting.	\$232,200	\$289,600	PR

	2025-26	2026-27	Fund Source
HEALTH SERVICES			
Healthcare Entity Oversight and Transparency. [Page 310, Item 5]. Effective January 1, 2027, authorize DHS to assess administrative fees on health care entities in an amount to help defray the costs of overseeing and implementing new requirements pertaining to ownership changes, partnership formations, joint ventures, entity closures, and discontinuances or significant reductions of any essential health services.	\$0	Unknown	PR
INSURANCE			
State-Based Health Insurance Exchange. [Page 350, Item 1]. Provide \$975,000 GPR in 2025-27 and \$4,225,000 (\$1,225,000 GPR and \$3,000,000 PR) in 2026-27, and 10.0 GPR positions, beginning in 2025-26, to develop and implement a state-based health insurance exchange. Require OCI to impose a user fee on each insurer that offers a health plan through the state-based exchange, initially at 0.5% of premiums, then set by the Office of the Commissioner of Insurance (OCI) by rule. Increase estimated program revenue by \$4,018,900 in 2026-27 to reflect exchange fee collections for plan year 2027.	\$0	\$4,018,900	PR
Generic Prescription Drug Importation Program. [Page 381, Item 3]. Require the Insurance Commissioner to design and implement a prescription drug importation program. Specify that the program must establish a fee or other mechanism to finance the program that does not jeopardize significant savings to Wisconsin residents.	Unknown	Unknown	PR
Licensure of Pharmacy Services Administrative Organizations. [Page 390, Item 10]. Specify that, beginning on the first day of the twelfth month beginning after the effective date of the bill, no person may operate as a pharmacy services administrative organization in Wisconsin without a license issued by OCI. Authorize OCI to promulgate rules to establish the license fee.	\$0	Unknown	PR
Licensure of Pharmaceutical Representatives. [Page 391, Item 11]. Specify that, beginning on the first day of the twelfth month beginning after the effective date of the bill, no individual may act as a pharmaceutical representative in Wisconsin without a license issued by OCI. Authorize OCI to promulgate rules to establish the license fee.	\$0	Unknown	PR
Licensure of Pharmacy Benefit Management Brokers and Consultants. [Page 391, Item 12]. Specify that, beginning on the first day of the twelfth month beginning after the effective date of the bill, no individual may serve as a pharmacy benefit management broker or consultant or as any other individual who procures the services of a pharmacy benefit manager on behalf of a client without a license. Authorize OCI to promulgate rules to establish the licensing fees.	\$0	Unknown	PR

	2025-26	2026-27	Fund Source
<p>JUSTICE</p> <p>Crime Victim Services Surcharge. [Page 399, Item 1]. Create a new crime victim services surcharge, to be charged if a court imposes a sentence, places a person on probation, or imposes a forfeiture for a violation of a law or an ordinance. A surcharge imposed under this provision could not be waived, reduced, or forgiven for any reason. Specify that the amount of the surcharge is the combined amount of the following: (a) 40% of the fine or forfeiture imposed or \$40, whichever is greater, for each offense; and (b) for each misdemeanor or felony count for which a conviction occurred, \$50. If the court finds a person committed a civil offense, an offense punishable by a forfeiture, in addition to any forfeiture the court imposes, the court must impose a crime victim services surcharge that is equal to the amounts for a criminal offense if all of the following apply: (a) the person is charged with one or more misdemeanors or felonies in a complaint; and (b) as a result of the complaint being amended, the person is charged with a civil offense in lieu of one of those misdemeanors or felonies. The court may not impose the crime victim services surcharge for a violation of state laws or municipal or county ordinances involving nonmoving traffic violations.</p>	Unknown	Unknown	PR
<p>NATURAL RESOURCES</p> <p>License and Approval Fees. [Page 480, Item 1]. Increase the statutory fee amounts for hunting, fishing, and other types of licenses, permits, stamps, and approvals. License fees are intended to be increased to amounts that would stabilize the fish and wildlife account of the conservation fund and address the structural imbalance in the account. The provision would increase fees by: (a) \$20 for resident and nonresident gun deer, archery/crossbow, and small game licenses; and (b) \$10 for most resident and nonresident fishing licenses. The Administration estimates that this provision would generate \$17 million in revenue in 2025-26 and \$34 million in revenue in 2026-27 and in subsequent fiscal years. The changes to fees would take effect on March 1, 2026.</p>	\$17,000,000	\$34,000,000	SEG
<p>Parks Credit Card Fee Recovery. [Page 497, Item 10]. Authorize the Department of Natural Resources (DNR) to collect a handling fee to offset the costs of credit card transaction fees incurred by the Department when it collects fees for vehicle admission stickers and passes and camping reservation fees paid by credit card. This provision would require that DNR promulgate rules to establish the amount of the handling fee, but the fee cannot be more than the amount necessary to offset credit card transaction fees.</p>	\$670,000	\$670,000	SEG
<p>Air Permit Fees -- Federally Regulated Sources. [Page 514, Item 2]. Increase the annual air permit tonnage fee paid by facilities that are subject to federal regulation under Title V of the Clean Air Act to operate a stationary source that emits air pollutants from \$35.71 per ton of certain pollutants emitted in the previous calendar year to \$63.69 per ton. The Administration indicates that the fee increase would ensure that the Wisconsin Title V program can meet federal fee adequacy requirements.</p>	\$1,300,000	\$1,300,000	PR
<p>High-Capacity Well Approval Fees. [Page 521, Item 2]. Increase the high-capacity well approval fee paid by property owners prior to construction of any well that withdraws more than 100,000 gallons per day from \$500 to \$1,000.</p>	\$100,000	\$100,000	PR

	2025-26	2026-27	Fund Source
Ballast Water and Commercial Vessel Fees. [Page 521, Item 3]. Repeal the permit application fee of \$1,200 and the annual permit fee of \$345 paid by owners and operators of certain commercial vessels to discharge ballast water into state waters. Create an arrival fee of \$650 per arrival to Wisconsin ports, and specify the fee may not exceed \$3,250 per year per operator.	\$94,800	\$94,900	PR
Wastewater General Permit Fees. [Page 523, Item 8]. Create a permit processing fee of \$425 for each wastewater general permit issued. The Wisconsin pollutant discharge elimination system (WPDES) program issues general permits for specific categories or classes of point source discharges.	\$444,100	\$444,100	GPR
Concentrated Animal Feeding Operations Fees. [Page 524, Item 11]. Increase the fee paid by WPDES permit holders that operate concentrated animal feeding operations (CAFOs) from \$345 to \$545 annually. As of February, 2025, there are 342 permitted CAFOs in Wisconsin, increasing by an estimated 10 each year. It is estimated the proposal would increase CAFO fee revenue by approximately \$69,400 annually, for a total of \$378,200 in fees over the biennium.	\$69,400	\$69,400	PR
PUBLIC INSTRUCTION			
State Operations Adjustment. [Page 564, Item 2]. Provide \$105,500 annually for a 5% supplies and services increase in the appropriation for the digital learning collaborative. The segregated revenue is provided from the state universal service fund, which receives its funding through assessments on annual gross operating revenues from intrastate telecommunications providers.	\$105,500	\$105,500	SEG
Public Library System Aid. [Page 571, Item 29]. Provide \$2,000,000 in 2025-26 and \$4,000,000 in 2026-27 above base level funding of \$24,013,100 for public library system aid. The segregated revenue is provided from the state universal service fund, which receives its funding through assessments on annual gross operating revenues from intrastate telecommunications providers.	\$2,000,000	\$4,000,000	SEG
Library Service Contracts. [Page 571, Item 30]. Provide \$619,200 in 2025-26 and \$666,600 in 2026-27 above base level funding of \$1,397,500 to fully fund the cost of statutorily-required library service contracts for resources of specialized library materials and other information. The Department of Public Instruction (DPI) contracts with five service providers: (a) the Milwaukee Public Library; (b) the University of Wisconsin-Madison; (c) the Wisconsin Talking Book and Braille Library; (d) the Cooperative Children's Book Center; and (e) AutoGraphics. DPI indicated that projected costs for each of the contracts will increase over the biennium due to general operating cost increases, and insufficient funding would result in a cap on the amount of material that can be requested from the Milwaukee Public Library and the UW-Madison library. The segregated revenue is provided from the state universal service fund, which receives its funding through assessments on annual gross operating revenues from intrastate telecommunications providers.	\$619,200	\$666,600	SEG

	2025-26	2026-27	Fund Source
<p>BadgerLink and Newsline for the Blind. [Page 572, Item 31]. Provide \$96,600 in 2026-27 above base level funding of \$3,486,300 to increase funding for the contracts with current BadgerLink vendors and to maintain the current level of services through Newsline for the Blind.</p> <p>BadgerLink is an online library that contracts with vendors to provide access to licensed content such as magazines, newspapers, scholarly articles, videos, images, and music. Newsline for the Blind provides access to newspapers on a daily basis for people who cannot read print newspapers via an automated electronic voice that can be accessed using a telephone. The segregated revenue is provided from the state universal service fund, which receives its funding through assessments on annual gross operating revenues from intrastate telecommunications providers.</p>	\$0	\$96,600	SEG
REVENUE			
<p>Tax Appeals Commission. [Page 595, Item 3]. Increase, from \$25 to \$250, the filing fee for appeals to the Tax Appeals Commission, except those involving a small claims case (a claim of less than \$10,000 under the bill). This provision would first apply to a petition filed with the Commission on the effective date of the bill.</p>	\$6,000	\$6,000	PR
<p>Marijuana Permit Fees. [Page 597, Item 3]. Establish an initial application fee of \$250 and recurring annual permit fees of \$2,000 to each person holding a valid marijuana permit. Fees paid to DOR would be deposited into the general fund.</p>	\$675,000	\$615,000	GPR
SAFETY AND PROFESSIONAL SERVICES			
<p>Advanced Practice Registered Nursing (APRN). [Page 609, Item 11]. Authorize individuals to obtain APRN licenses in Wisconsin if they meet certain requirements and pay a biennial license fee. Credential fees for health care professionals regulated by the Department of Safety and Professional Services (DSPS) are not specified in statute, but rather established biennially by DSPS.</p>	Minimal	Minimal	PR
TRANSPORTATION			
<p>Increase Vehicle Title Fee. [Page 662, Item 5]. Increase the motor vehicle title and title transfer fees by \$120, from \$157 to \$277. Under current law, a supplemental fee of \$7.50 is also charged for both title and title transfer transactions, for a total amount due of \$164.50. Under the proposed \$120 increase, the total amount due for each transaction type would be \$284.50.</p>	\$116,816,500	\$152,907,500	SEG
<p>Increase Fee for Issuance or Renewal of Automobile Driver's License. [Page 662, Item 6]. Increase the fee for issuance or renewal of an automobile driver's license by \$8.50, from \$24 to \$32.50.</p>	\$3,206,200	\$4,275,000	SEG
UNIVERSITY OF WISCONSIN			
<p>Supplies and Services 5% Increase. [Page 703, Item 3]. Provide \$52,700 annually for a 5% supplies and services increase in UW's appropriation for campus telecommunications services. The segregated revenue is provided from the state universal service fund, which receives its funding through assessments on annual gross operating revenues from intrastate telecommunications providers.</p>	\$52,700	\$52,700	SEG
SUBTOTAL -- FEES -- INCREASES			
	\$1,119,100	\$1,059,100	GPR
	\$2,192,800	\$6,269,200	PR
	\$148,764,200	\$205,068,000	SEG

	2025-26	2026-27	Fund Source
FEE DECREASES			
ADMINISTRATION			
Technology for Educational Achievement Program. [Page 35, Item 1]. Reduce funding for the Technology for Educational Achievement (TEACH) program from the state segregated universal service fund (USF) by \$2,777,400 SEG in 2025-26 and \$4,921,400 SEG in 2026-27. Provide \$5,527,000 GPR in 2025-26 and \$7,671,400 GPR in 2026-27 to make payments to telecommunications providers under the TEACH program. If GPR and SEG funds are insufficient for the program, federal reimbursement monies may be utilized, to the extent revenue is available. Base funding for the TEACH program is \$12,283,300 SEG. Funding is provided from the USF, which receives its funding through Public Service Commission assessments on annual gross operating revenues from intrastate telecommunications providers, which they can fully recover through pass-through assessments on subscribers. The Administration indicates that SEG funding for the program would be reduced to offset recommended USF appropriation increases under DPI and UW totaling \$7,698,800 over 2025-27.	-\$2,777,400	-\$4,921,400	SEG
NATURAL RESOURCES			
Free Fourth-Grade Admission to State Parks. [Page 496, Item 6]. Authorize the issuance of a waiver for an annual resident state parks and forests vehicle admission sticker (typically \$28) to the parent or guardian of a Wisconsin fourth-grade student. A parent or guardian of a fourth-grade student in a Wisconsin public, private, or home school could apply for a waiver of the annual resident vehicle admission fee for a single vehicle, except a motor bus. The provision would take effect on January 1, 2026.	-\$140,900	-\$281,700	SEG
Free Admission to State Parks and Campgrounds for Tribal Members. [Page 496, Item 8]. Require DNR to waive all fees for an annual resident state parks and forests vehicle admission sticker (typically \$28) for a vehicle, except a motor bus, that is owned by a person that produces evidence that they are a member of a federally-recognized Native American tribe or band located in Wisconsin. Further, require DNR to waive all fees for reservations made for campgrounds located in state parks, forests, and other DNR-owned lands to a person who produces evidence that they are a member of a federally-recognized Native American tribe or band located in Wisconsin. The Administration estimates the waiver for vehicle admission stickers would decrease revenue by \$24,600 annually. An estimate for the decrease in revenue associated with the camping reservation fee waiver cannot be determined.	-\$24,600	-\$24,600	SEG
SUBTOTAL -- FEES -- DECREASES	-\$2,942,900	-\$5,227,700	SEG

	2025-26	2026-27	Fund Source
ENHANCED COLLECTION MEASURES			
GENERAL FUND TAXES			
Tax Law Change Interactive Effects. [Page 219, Item 17]. Increase income and franchise tax collections to account for the interactive effects of proposed income and franchise tax changes under the Governor's budget.	\$52,000,000	\$46,300,000	GPR
Sales Tax on Marijuana. [Page 223, Item 9]. Under current law, sales of marijuana are subject to the general sales and use tax as tangible personal property. However, taxes generally are not collected and remitted on such sales, as marijuana is an illegal substance. The bill would legalize the sale of marijuana and, as a result, sales tax would be collected by retailers on legal recreational marijuana sales. Retail excise taxes imposed on marijuana would be included in the sales price subject to the state sales and use tax. This provision would increase revenues by \$13.3 million in 2026-27, \$28.0 million in 2027-28, and \$37.0 million in 2028-29.	Minimal	\$13,300,000	GPR
REVENUE			
Convert Revenue Agents to Permanent Positions. [Page 594, Item 1]. Provide \$2,362,300 GPR in 2025-26 and \$3,149,700 GPR in 2026-27 and convert 38.0 GPR project positions to permanent positions. Estimate increased state tax revenue of \$32,475,000 in 2025-26 and \$43,300,000 in 2026-27 resulting from the continued collection of unpaid delinquent taxes.	\$32,475,000	\$43,300,000	GPR
Statewide Debt Collection (SDC) Positions. [Page 595, Item 2]. Provide \$668,700 PR in 2025-26 and \$795,900 PR in 2026-27 and 8.0 PR positions annually to DOR to increase efforts to collect debts owed to state agencies and local governments under the SDC program. The Administration indicates that the authorization of these positions would: (a) increase the collection and remittance of debts owed by an estimated \$6.6 million in 2025-26 and \$13.3 million in 2026-27; (b) increase fees collected by DOR by \$1,170,000 PR-REV in 2025-26 and \$2,340,000 PR-REV in 2026-27; and (b) increase the year-end transfer to the general fund by \$501,300 GPR-REV in 2025-26 and \$1,544,100 GPR-REV in 2026-27.	\$501,300	\$1,544,100	GPR
SUBTOTAL -- ENHANCED COLLECTION MEASURES	\$84,976,300	\$104,444,100	GPR