

Fiscal Estimate Manual

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Fiscal Estimate Manual

INTRODUCTION

Purpose of this manual

This manual is intended to help state agencies prepare fiscal estimates for legislative proposals and to explain the fiscal estimate process, beginning with the work of the drafting attorney at the Legislative Reference Bureau (LRB) and ending with submission of a completed fiscal estimate to the legislature.

Why fiscal estimates?

A fiscal estimate is required for any bill that creates an appropriation, increases or decreases an appropriation, or increases or decreases the revenues or fiscal liabilities of the state or a local unit of government. If a fiscal estimate is required for a bill, the legislature must receive a copy of the fiscal estimate before a committee holds a public hearing on the bill, before a committee takes executive action on the bill if there is no public hearing, or before either house of the legislature votes on the bill if it is not referred to a committee. The statutes and the procedural rules of the legislature control the process for requesting, preparing, and publishing a fiscal estimate (see page 10).

Fiscal estimate website

The Department of Administration (DOA) maintains the fiscal estimate system website at <http://fes.doa.state.wi.us/> to request, assign, submit, track, and view fiscal estimates. Although the website is primarily used by DOA, LRB, and other state agencies, public users may log onto the system and access information on any fiscal estimate published since March 2001. This manual and DOA application manuals for agency liaisons, preparers, and approvers are also available at the fiscal estimate system website.

Agency listings

Each agency should designate a person or unit to prepare fiscal estimates. An agency should delegate the task of preparing fiscal estimates to a specific person or unit rather than simply list on the fiscal estimate system the name of the secretary or administrator. The agency should update the listing as necessary throughout the legislative session.

Identification of preparers

To satisfy the requirements of Joint Rule 42 (2), the fiscal estimate system automatically dates each fiscal estimate and inserts the names and telephone numbers of the preparer and the approver in the appropriate spaces on the fiscal estimate form. The preparer should also include the agency name, the preparer's name and telephone number, and the preparation date on each technical memorandum submitted with a fiscal estimate.

Submittal of fiscal estimate worksheet

Fiscal estimates generally consist of a narrative and a worksheet. The preparer does not need to submit a fiscal estimate worksheet for a bill that has no fiscal effect.

Deadline for preparing fiscal estimates

Agencies assigned to prepare a fiscal estimate are required to transmit electronically the completed estimate to DOA within five working days of receiving the request. The preparer may contact the DOA fiscal estimate coordinator before the end of the five-day review period to request an extension. DOA may grant an extension only on a limited basis. If DOA grants an extension, the agency must complete the fiscal estimate within ten working days of receiving the request. See Joint Rule 42 (3).

Examples

See page 19 for examples of technical memorandums, fiscal estimate narratives, and worksheets.

Recent changes

The Board of Regents of the University of Wisconsin System is no longer required to specify the anticipated completion date of a project in the fiscal estimate it prepares for a bill that appropriates general purpose revenue for a research or public service project. See the repeal of section 36.45 (2) of the statutes by 2015 Wisconsin Act 55.

Questions

For questions regarding fiscal estimate procedure, please contact Gail Tappen, the DOA fiscal estimate coordinator, at 608-266-1807. Agency staff with questions concerning the preparation or content of a specific fiscal estimate should contact their assigned analyst in the State Budget Office.

FISCAL ESTIMATE PROCESS

Fiscal estimate determinations

The LRB drafting attorney makes the initial determination as to whether a bill requires a fiscal estimate. See Joint Rule 44. Prior to the bill's introduction, if the requester disagrees with the drafting attorney's determination as to whether the bill requires a fiscal estimate, the requester may contact the attorney to discuss his or her concerns. The drafting attorney will work with the requester to address those concerns.

If, after a bill is introduced, the bill's requester determines, contrary to the LRB's initial determination, that a fiscal estimate is required, the LRB shall submit a fiscal estimate request to DOA. Once that request is made, no legislative action may be taken on the bill, pursuant to section 13.093 (2) of the statutes.

A legislator may also raise a point of order when a bill is before the legislator's house that the bill requires a fiscal estimate. The presiding officer's decision regarding whether the bill requires a fiscal estimate is final, subject to being overruled by the majority of the members of that house. If the presiding officer decides that a fiscal estimate is required, no action may be taken on the bill until the legislature receives the fiscal estimate. See Joint Rule 49.

Transmission

The LRB transmits electronically all introduced bills requiring a fiscal estimate to the DOA fiscal estimate coordinator for assignment to an agency. However, a bill's requester may contact the LRB to request a fiscal estimate on an unintroduced bill draft. The LRB will forward this request to DOA to make an assignment as it would for an introduced bill. See Joint Rule 45.

All agencies that would collect money, receive an appropriation, administer a program, or have the most knowledge about the bill are required to prepare a fiscal estimate. After the agency

preparer completes the estimate, the agency approver reviews and approves the estimate and electronically forwards the estimate to DOA for its review. See Joint Rule 46 (1) and (2).

DOA may correct any computational or other clerical error in a fiscal estimate but may not make a substantive change. See Joint Rule 46 (5). However, DOA may prepare a supplemental fiscal estimate if it disagrees with the fiscal estimate submitted by the agency. See Joint Rule 41 (3) (c). DOA electronically forwards the agency's fiscal estimate and any supplemental estimate to the LRB, and the LRB forwards the estimates to the bill's primary author for review.

All fiscal estimate requests and all documents submitted in the fiscal estimate process must be transmitted electronically rather than in paper form. However, under Joint Rule 41 (3) (b), the presiding officer in either house may permit a bill's primary author (as listed on the first page of an introduced bill) to submit a request for a supplemental fiscal estimate by other means. Under Joint Rule 50, the Senate President and the Assembly Speaker may act jointly to permit, for a limited time, the transmission of fiscal estimate requests and documents in paper form.

Review of original estimate by author

The primary author of an introduced bill has five working days to review the original fiscal estimate submitted by the assigned agency before the estimate is released for public inspection. The five-day review period begins on the day on which the LRB transmits the original estimate to the primary author. If the primary author does not request a rewrite of the original estimate during that five-day period, the LRB transmits electronically a copy of the fiscal estimate to the Legislative Fiscal Bureau (LFB) and to the chief clerk of the house of origin to be inserted in the bill jacket. The LRB retains a copy of the fiscal estimate in the bill's drafting file. See Joint Rules 45 and 48. The fiscal estimate for an introduced bill is also accessible on the legislature's website and DOA's fiscal estimate system following its release after the review period.

During the five-day review period, the primary author may transmit electronically a request to the agency to rewrite its fiscal estimate. The author will generally provide the agency with his or her rationale for requesting a rewrite. If the agency agrees to rewrite the fiscal estimate and the primary author agrees to delay its release, the agency must immediately notify the DOA Fiscal Estimate Coordinator and the LRB. Only the rewritten estimate is reproduced and inserted in the bill jacket, but both the rewritten and the initial fiscal estimate are retained by the LRB in the bill's drafting file. See Joint Rule 48 (4).

Supplemental fiscal estimates.

During the five-day review period, the primary author may transmit electronically to the DOA fiscal estimate coordinator a request to have a supplemental fiscal estimate prepared for the bill as affected by a proposed amendment, regardless of whether any such amendment is being offered for introduction. The agency that prepared the fiscal estimate for the bill prepares the supplemental fiscal estimate. See Joint Rule 48 (2).

If the original fiscal estimate for the bill has already been released, the primary author may make a request to the presiding officer of either house to transmit a request to DOA for the appropriate agency to prepare the supplemental fiscal estimate on the bill as affected by the proposed amendment. The presiding officer will make the request if he or she believes that the fiscal estimate for the bill as amended would be substantially different from the original fiscal estimate for the bill itself. See Joint Rule 41 (3) (b).

The primary author may also request a supplemental fiscal estimate from LFB or DOA if the primary author disagrees with the original fiscal estimate. See Joint Rule 48 (3).

With the approval of a majority of its members or either committee co-chair, the Joint Committee on Finance may request from an agency (through DOA) or from LFB a supplemental fiscal estimate on a bill, or on a bill as amended, if the committee or co-chair believes that the fiscal estimate on the bill, or the bill as amended, would be substantially different from the bill's original fiscal estimate.

Consolidated fiscal estimates

DOA may prepare a consolidated fiscal estimate that summarizes all original estimates prepared by state agencies for the same bill. See Joint Rule 41 (3) (d).

Updated fiscal estimates

Any agency may submit an updated fiscal estimate to supplement its original estimate when the agency has better or more current information upon which to base its fiscal analysis of the bill. See Joint Rule 41 (3) (e).

Corrected fiscal estimates

DOA (or the assigned agency) may prepare a corrected fiscal estimate at any time during the legislative session in order to correct any computational or clerical error but may not make any substantive change to the original fiscal estimate.

Review periods

Original, consolidated, and updated fiscal estimates are subject to a five-day review period before being released. Supplemental fiscal estimates are released immediately. A corrected fiscal estimate is released immediately except when the original estimate has not yet been released. The release of the original fiscal estimate should always precede the release of the corrected estimate.

PREPARING A FISCAL ESTIMATE

Reliable dollar estimate

A fiscal estimate must provide as reliable a dollar estimate as possible of the fiscal effect of a bill and set forth the assumptions used in arriving at the dollar estimate. See Joint Rule 43.

Confidentiality

An agency may use the bills and amendments transmitted to it for official purposes only and may not copy or otherwise disseminate information about any unIntroduced bill or amendment. See Joint Rule 42 (4).

The LRB may not publicly disclose the existence or discuss the contents of an unIntroduced bill or amendment. See section 13.92 (1) (c) of the statutes. An agency assigned to prepare a fiscal estimate must observe the same duty of confidentiality. An unIntroduced bill draft is a preliminary working document that may be extensively modified before it is introduced, or the requester may decide not to introduce it.

An unIntroduced bill draft can be quickly distinguished from an introduced bill. An introduced bill will have a bill number such as "2017 ASSEMBLY BILL 44" or "2017 SENATE BILL 321." An unIntroduced bill draft has no bill number and is identified as "2017 BILL." Each introduced bill and unIntroduced bill draft has an LRB number, which appears in the upper right-hand corner of every page of the bill or draft.

Objectivity

A fiscal estimate should accurately, factually, and objectively set forth the total fiscal impact estimated to occur if the bill becomes law. The preparer should not use the fiscal estimate to endorse or oppose the bill or to address the bill's merits as a matter of public policy.

Specificity

The preparer should avoid using imprecise terms such as "little fiscal effect" or "minimal fiscal effect" to indicate a bill's fiscal impact. What the preparer and the requester consider "minimal" may not be the same.

The preparer should write the estimate so that the legislature can see the assumptions made and the methods used to arrive at the total cost or savings shown in the estimate. That way, if an amendment changes one or more parts of the bill, the legislature may be able to ascertain the fiscal effects of the bill as amended without having to request a supplemental estimate.

If the preparer cannot give a specific estimate, he or she must provide a dollar range estimate and indicate that the cost may vary depending on variables that cannot be fully ascertained.

Effect on agency budget

The preparer should specifically indicate in the fiscal estimate the bill's effect on agency costs and revenues.

If a bill contains an appropriation, the preparer should estimate the operational level that the agency believes can be performed with the amount appropriated and the cost necessary to achieve the operational level expected by the agency, regardless of the amount appropriated in the bill. The preparer should specify the assumptions used to arrive at the cost.

If a bill has no appropriation, the fiscal estimate should specify the effect of the bill on existing staff levels. The preparer should also indicate the operational level that the agency could accomplish with existing resources and specify the assumptions used to arrive at his or her conclusion.

If the preparer concludes that the agency will need additional staff to perform the activities that a bill requires, the preparer should include a statement in the narrative concerning the bill's impact on agency staffing.

If an agency may be able to absorb the cost of a bill's added responsibilities and activities within its existing appropriation levels, the preparer should note that possibility in the assumptions section, in addition to indicating the estimated costs. If a preparer indicates that costs may be absorbed, the preparer may wish to state that his or her conclusion assumes that the legislature will not pass several bills requiring the agency to absorb the associated costs.

Mitigation through contractual service

A fiscal estimate must indicate whether any increased costs incurred by the state as a result of the bill can be mitigated by using contractual services that are procured using a competitive bidding process. In other words, the preparer should indicate whether the bill's fiscal impact may be lessened by having services performed under a contract with private parties rather than by state employees. See section 13.093 (2) (a) of the statutes.

Source of funds

A fiscal estimate should identify the funding source used to implement the bill. The preparer should not assume that program revenue collected by the agency or for the agency's use will equal the cost of administering a program. The preparer should estimate both the revenue and the cost of administration.

Local fiscal effect

Local fiscal estimates are usually prepared by the state agency with relevant responsibilities because that agency is most likely to have pertinent data. That agency may also have connections with local officials who can provide useful information.

Retaining information

The preparer should keep information that was used in preparing a fiscal estimate because it may be helpful when preparing fiscal estimates for similar bills during the same legislative session.

PREPARING FISCAL ESTIMATE FORMS

Fiscal estimate identification

The fiscal estimate system automatically enters the LRB number and, if applicable, the bill number on each fiscal estimate form and worksheet. The system also automatically marks assignments as either original or supplemental when the assignment is initiated by the LRB and the State Budget Office.

Agencies may initiate corrected and updated fiscal estimates and mark them as such as they are created.

The DOA fiscal estimate coordinator enters the description of the draft or bill on the form and worksheet. The description is, generally, the bill's relating clause. For example, the form and worksheet descriptions and the relating clause for 2015 AB 102 all read "allowing refunds for the early stage seed and angel investment tax credits and making an appropriation."

Fiscal estimate narrative

Fiscal effect. The preparer should complete the check boxes included on the form. The boxes help the legislators quickly determine the nature of the fiscal effect and how the bill should be handled, including whether it should be referred to the Joint Committee on Finance. The preparer should check as many boxes as are appropriate. Note that the check boxes relating to local governmental units include separate boxes for school districts and technical college districts.

Assumptions. The fiscal estimate form should not restate the fiscal estimate in narrative form, but should briefly summarize the principal assumptions used to calculate the estimated fiscal impact of the bill. The preparer should identify the significant assumed new or modified conditions that would occur if the proposal becomes law and are estimated to result in increased or decreased costs.

Long-range fiscal implications. This section should be used for situations in which a new or modified program will result in substantially increased costs that will not occur until several years in the future. However, this section should not be used to indicate that items such as inflationary costs or costs of future employee pay increases will result in increases in total costs. Usually, especially when indicating the full annualized cost, the preparer will have nothing to enter in this section.

Fiscal estimate worksheet

A fiscal estimate for a bill that has a fiscal effect must include a worksheet. The worksheet contains information regarding the bill's annualized fiscal impact, costs and revenues, and net annualized fiscal effect.

Annualized fiscal impact. The dollar amounts shown in the fiscal estimate are based on full annualized cost in order to provide a consistent measurement of the fiscal impact of various legislative proposals. The full annualized cost should show the annual fiscal impact that the agency estimates will result from the proposal once the required changes are made and the proposed program is fully implemented.

Costs and revenues. Section II of the fiscal estimate worksheet has two columns for showing the estimated annualized cost of the proposal. The preparer should list all increases in expenditures projected as a result of the proposal as positive numbers under "Increased Costs" and all reductions in expenditures projected as a result of the proposal as negative numbers under "Decreased Costs."

Section III of the worksheet has two columns that are used to show the estimated annualized revenue effect of the proposal. The preparer should list any increases in revenues projected as a result of the proposal as positive numbers under "Increased Rev" and any reductions in existing revenues projected as a result of the proposal as negative numbers under "Decreased Rev."

Net annualized fiscal effect. This section has one column for the net annualized fiscal impact on state government and one column for the net annualized fiscal impact on local governments. A preparer should total the increased and decreased costs and revenues and indicate the results on the appropriate line rather than attempt to contrast fiscal effects of increased revenues versus increased costs or decreased revenues versus decreased costs.

TECHNICAL MEMORANDUM

Technical issues with the proposal

The preparer uses a technical memorandum to identify ambiguities or mechanical deficiencies regarding the proposal and to communicate those issues to the LRB drafting attorney. The LRB will also forward the memorandum to the requester or primary author. The agency's recommended changes and explanatory information give legislators the opportunity to modify their proposals before introduction or early in the legislative process when the bill is most subject to change. Because the agency will be administering the proposed change, the agency has an interest in ensuring that the proposal is workable at an early stage. The agency's technical memorandum is often the primary opportunity for the legislature to consider the agency's concerns.

Objectivity

In the technical memorandum, just as in the fiscal estimate, the preparer should not take a position on the proposal as a matter of public policy and should confine his or her comments to an objective statement of the facts. The preparer should identify technical issues only in the memorandum and not in the fiscal estimate narrative.

Identification

A technical memorandum should always include the preparer's name and telephone number, the LRB number, and, if the bill has been introduced, the Senate or Assembly bill number. Please note that the technical memorandum can be completed outside of the fiscal estimate system and added to the estimate assignment as an attachment to the system.

RELEVANT STATUTES AND RULES

STATUTES

13.093 Reference of bills to joint committee on finance.

(2)(a) Any bill making an appropriation, any bill increasing or decreasing existing appropriations or state or general local government fiscal liability or revenues, and any bill that modifies an existing surcharge or creates a new surcharge that is imposed under ch. 814, shall, before any vote is taken thereon by either house of the legislature if the bill is not referred to a standing committee, or before any public hearing is held before any standing committee or, if no public hearing is held, before any vote is taken by the committee, incorporate a reliable estimate of the anticipated change in appropriation authority or state or general local government fiscal liability or revenues under the bill, including to the extent possible a projection of such changes in future biennia. The estimate shall also indicate whether any increased costs incurred by the state under the bill can be mitigated through the use of contractual service contracts let in accordance with competitive procedures. For purposes of this paragraph, a bill increasing or decreasing the liability or revenues of the unemployment reserve fund is considered to increase or decrease state fiscal liability or revenues. Except as otherwise provided by joint rules of the legislature or this paragraph, such estimates shall be made by the department or agency administering the appropriation or fund or collecting the revenue. The legislative council staff shall prepare the fiscal estimate with respect to the provisions of any bill referred to the joint survey committee on retirement systems which create or modify any system for, or make any provision for, the retirement of or payment of pensions to public officers or employees. The director of state courts shall prepare the fiscal estimate with respect to the provisions of any bill that modifies an existing surcharge or creates a new surcharge that is imposed under ch. 814. When a fiscal estimate is prepared after the bill has been introduced, it shall be printed and distributed as are amendments.

(b) Executive budget bills introduced under s. 16.47 (1) are exempt from the fiscal estimate requirement under par. (a) but shall, if they contain a provision affecting a public retirement fund or providing a tax exemption, be analyzed as to those provisions by the respective joint survey committee. If such a bill contains a provision providing a tax exemption, the bill shall be simultaneously referred to the joint survey committee on tax exemptions and the joint committee on finance. The report of the joint survey committee on tax exemptions shall be prepared within 60 days of introduction for bills introduced under s. 16.47 (1).

234.93 Wisconsin development reserve fund.

(3m) EXTENSION OF LOAN GUARANTEE PROGRAM. When the authority prepares a fiscal estimate under s. 13.093 (2) (a) with respect to any bill that extends a program that is guaranteed by funds from the Wisconsin development reserve fund, the authority shall include in its fiscal estimate a projection, for the next June 30, that compares the amounts required on that date to pay outstanding claims and to fund guarantees under all of the programs guaranteed by funds from the Wisconsin development reserve fund, and the balance remaining in the Wisconsin development reserve fund on that date after deducting such amounts, if the program is extended, with such amounts and the balance remaining if the program is not extended.

JOINT RULES

Joint Rule 41. When fiscal estimates required or permitted. (1) (a) All bills making an appropriation and any bill increasing or decreasing existing appropriations or state or general local government fiscal liability or revenues shall carry a fiscal estimate.

(b) An executive budget bill introduced under section 16.47 (1) of the statutes is exempt from the fiscal estimate requirement under par. (a) but may, if it contains a provision affecting a public retirement system or providing a tax exemption, be analyzed as to that provision by the appropriate joint survey committee.

(c) For purposes of par. (a), a bill increasing or decreasing the liability or revenues of the unemployment reserve fund is considered to increase or decrease state fiscal liability or revenues.

(2) (a) Fiscal estimates are required on original bills only and not on substitute amendments or amendments.

(b) A bill containing a penalty provision is exempt from the fiscal estimate requirement if the bill contains no other provisions requiring a fiscal estimate under sub. (1) (a).

(3) (a) The joint committee on finance by the approval of a majority of its members, or either cochairperson of the committee, may transmit electronically a request for the legislative fiscal bureau, or through the department of administration for an appropriate state agency, to prepare a supplemental fiscal estimate on any bill or on a bill as affected by any proposed amendment or proposed substitute amendment if the committee or cochairperson believes that the fiscal estimate on the bill, or on the bill as affected by the proposed amendment, would be substantially

different from the fiscal estimate on the original bill. A supplemental fiscal estimate prepared under this paragraph shall be transmitted electronically to the legislative reference bureau for reproduction and insertion in the bill jacket envelope.

(b) Upon a request of a bill's primary author, transmitted electronically unless directed otherwise by the presiding officer, the presiding officer of either house may transmit electronically a request through the department of administration for an appropriate state agency to prepare a supplemental fiscal estimate on any bill, or on a bill as affected by any proposed amendment or proposed substitute amendment, if the presiding officer believes that the fiscal estimate on the bill, or on the bill as affected by the proposed amendment, would be substantially different from the fiscal estimate on the original bill. Unless otherwise determined by the house in which the bill may be placed on the calendar, failure to receive a supplemental fiscal estimate requested under this paragraph on a bill that already has one or more original fiscal estimates does not delay consideration of the bill. A supplemental fiscal estimate prepared under this paragraph shall be transmitted electronically to the legislative reference bureau for reproduction and insertion in the bill jacket envelope.

(c) The department of administration may transmit electronically a supplemental fiscal estimate to the legislative reference bureau for reproduction and insertion in the bill jacket envelope if the department disagrees with a fiscal estimate prepared by a state agency.

(d) In addition to the original estimates prepared by state agencies, the department of administration shall, if appropriate, transmit electronically to the legislative reference bureau, for review by the requester under joint rule 48 and for reproduction and insertion in the bill jacket envelope, a consolidated fiscal estimate summarizing all original fiscal estimates prepared by state agencies relating to a specific bill.

(e) Any state agency may transmit electronically to the department of administration for transmission electronically to the legislative reference bureau for review by the primary author of an introduced bill under joint rule 48 and for reproduction and insertion in the bill jacket envelope an updated fiscal estimate supplementing the original estimate on any bill if the agency has available better or more current information.

(f) The legislative fiscal bureau or the department of administration shall, if it receives an electronic request under joint rule 48 (3), prepare a supplemental fiscal estimate. If a supplemental fiscal estimate is requested electronically the fiscal bureau or the department shall transmit electronically the prepared supplemental fiscal estimate to the legislative reference bureau for reproduction and insertion in the bill jacket envelope.

(g) A state agency shall transmit electronically any fiscal estimate requested electronically under joint rule 48 (2) to the department of administration for transmission electronically to the legislative reference bureau for review by the primary author under joint rule 48 and for reproduction and insertion in the bill jacket envelope.

(h) Any state agency may rewrite its original fiscal estimate as provided under joint rule 48 (4).

(i) The department of administration may correct any fiscal estimate prepared by a state agency as provided under joint rule 46 (5).

Joint Rule 42. General procedures. (1) (a) Fiscal estimates shall be prepared by all state agencies receiving the appropriation, collecting the revenue, administering the program, or having information concerning the subject matter of the bill. Bills containing provisions for both appropriations and revenues or either appropriations or revenues for more than one state agency shall receive estimates from each such agency.

(b) In addition, the department of administration shall, when appropriate, prepare a consolidated fiscal estimate as required under joint rule 41 (3) (d).

(c) For bills with a fiscal impact on general local government, the department of administration shall obtain the requisite information from all appropriate state agencies.

(2) The name of the state agency preparing the estimate, and the date, shall be reproduced at the end of the estimate. The estimate shall also include the name and telephone number of a responsible official of the agency.

(3) Each state agency shall prepare the fiscal estimate within 5 working days from the date on which it receives the bill, but the department of administration, on a limited basis only and upon an agency's request received before the end of the 5-day period and applicable to only one fiscal estimate, may extend the period for the specified fiscal estimate to not more than 10 working days if the bill necessitates extended research. Whenever the extension is granted, the department of administration shall immediately notify the legislative reference bureau.

(4) The state agencies are requested to use the bills, substitute amendments, and amendments transmitted to them for official purposes only. In particular, no state agency may copy, or otherwise disseminate information regarding, any bill, substitute amendment, or amendment to it by "LRB" number, indicating that the bill, substitute amendment, or amendment transmitted has not been offered or introduced in the legislature.

Joint Rule 43. Reliable dollar estimate. The estimate shall be factual in nature, and shall provide as reliable a dollar estimate as possible. The fiscal estimate shall contain a statement setting forth the assumptions used in arriving at the dollar estimate. Identification of technical or policy problems in the bill may not be included in the estimate but shall be transmitted electronically and separately in a technical memorandum.

Joint Rule 44. Bill jackets to display "FE." (1) The jackets of all bills carrying a fiscal estimate shall have the initials "FE" displayed on them.

(2) (a) The legislative reference bureau shall make a preliminary determination of whether the bill requires a fiscal estimate. Except as otherwise provided in joint rule 54 (2m), the legislative reference bureau shall indicate that a bill requires a fiscal estimate by displaying "FE" prominently on the jacket.

(b) A jacket on which the "FE" symbol has been defaced may not be accepted for introduction unless the deletion of the "FE" symbol has been initialed by the chief or the deputy chief of the legislative reference bureau.

Joint Rule 45. Duties of legislative reference bureau. (1) After a proposed bill has been drafted the legislative reference bureau shall inform the requester that a fiscal estimate is required when it submits the draft to the requester. If authorized by the requester, the bureau shall promptly transmit electronically the proposed bill to the department of administration for preparation of a fiscal estimate. The requester may introduce the bill without the fiscal estimate, but when such a bill is introduced the legislative reference bureau shall promptly transmit electronically a copy of the bill to the department of administration for preparation of a fiscal estimate. The legislative reference bureau shall keep a record of the date on which each bill is thus transmitted electronically and its number.

(2) If the fiscal estimate is procured before the bill is introduced, the legislative reference bureau shall transmit electronically a copy of the estimate to the requester. If the requester desires to introduce the bill, the reference bureau shall place the estimate and any worksheet at the end of the bill or in the jacket envelope, and prepare the bill for introduction. The fiscal estimate and any worksheet shall be reproduced at the end of the bill or as an appendix as are amendments. If the fiscal estimate is transmitted electronically to the legislative reference bureau after the bill has been introduced, the legislative reference bureau shall transmit electronically a copy of the estimate and any worksheet to the primary author of the introduced bill as provided under joint rule 48.

(3) The chief clerk shall enter in the history file for a bill the dates when a fiscal estimate on an original bill is published, when a fiscal estimate on any bill as amended or as amended by any proposed amendment or substitute amendment is published, when a supplemental fiscal estimate is published and when a memorandum under joint rule 47 is inserted in the bill jacket. If a fiscal estimate is requested after the bill is introduced, the chief clerk shall enter in the history file for the bill the dates when a fiscal estimate on an original bill is requested, when a fiscal estimate on any bill as amended or as amended by any proposed amendment or substitute amendment is requested, and when a supplemental fiscal estimate is requested.

Joint Rule 46. Duties of department of administration and state agencies. (1) The department of administration shall promptly review each bill received, determine all of the agencies that shall prepare a fiscal estimate, and transmit electronically the fiscal estimate request to those agencies, keeping a record of the date of electronic transmission to and electronic receipt from the agencies and the number of the bill.

(2) The state agency shall prepare the estimate and any worksheet and such copies as are specified by the department of administration. It shall transmit electronically the estimate and any worksheet and the bill within 5 working days to the department of administration unless the

department of administration, under joint rule 42 (3), extends the period for preparation of the estimate. The department of administration shall notify electronically the state agency of any bill not transmitted electronically to the department of administration within the deadline.

(3) The department of administration shall promptly transmit electronically all fiscal estimates and any worksheets to the legislative reference bureau, retaining one copy of each estimate and worksheet.

(4) The department of administration shall, when requested under joint rule 48 (3), prepare a supplemental fiscal estimate, and shall transmit electronically the supplemental fiscal estimate to the legislative reference bureau for reproduction and insertion in the bill jacket envelope.

(5) The department of administration may correct any computation or other clerical error in a fiscal estimate prepared by an agency but may not make any substantive change. If the department makes such a correction it shall note on the fiscal estimate prepared by the agency the manner in which it has been corrected by the department and shall transmit electronically both the corrected and uncorrected fiscal estimates to the legislative reference bureau.

Joint Rule 47. Duties of joint committee on finance. The joint committee on finance may, by the vote of a majority of its members, direct that any legislative fiscal bureau memorandum on a bill referred to the committee, other than a budget bill, be inserted in the bill jacket envelope. If the committee so directs, an electronic copy of the memorandum shall be transmitted electronically to all legislators and to the legislative reference bureau.

Joint Rule 48. Review of agency-prepared fiscal estimates. (1) On the 6th working day after the legislative reference bureau transmits electronically a copy of a fiscal estimate for an introduced bill to the primary author, the bureau shall transmit electronically a copy of the fiscal estimate and any worksheet to the legislative fiscal bureau and to the chief clerk of the house of origin to be inserted in the bill jacket envelope and shall forthwith reproduce the estimate and any worksheet as are amendments.

(2) During the 5-day period under sub. (1), the primary author of an introduced bill may transmit electronically to the department of administration a request to have a supplemental fiscal estimate prepared for the bill as affected by a proposed amendment or a proposed substitute amendment, whether offered for introduction or not, be prepared by the agency that prepared the fiscal estimate for the bill.

(3) The primary author of an introduced bill may transmit electronically a request that the legislative fiscal bureau or the department of administration prepare a supplemental fiscal estimate if the primary author disagrees with the fiscal estimate for the bill prepared by the state agency.

(4) During the 5-day period under sub. (1), the primary author of an introduced bill may transmit electronically a request that the agency that prepared the fiscal estimate rewrite its fiscal estimate. If the agency agrees to rewrite the estimate and the primary author agrees to a

delay in the publication of the fiscal estimate, the agency shall immediately electronically notify the department of administration and the legislative reference bureau, and the rewritten fiscal estimate, notwithstanding sub. (1), is the only original estimate reproduced and inserted in the bill jacket envelope, but both the rewritten and the initial fiscal estimate shall be retained by the legislative reference bureau.

Joint Rule 49. Bills not conforming. (1) Any member may at any time that a bill is before the house raise the issue that the bill requires a fiscal estimate, and if the presiding officer determines that the bill (not having the estimate) requires an estimate, the presiding officer shall direct the legislative reference bureau to secure the requisite estimate.

(2) Bills requiring fiscal estimates shall not be voted on by either house, and shall receive neither a public hearing nor be voted on by a standing committee, before the receipt of the original fiscal estimate for the bill.

(3) If the fiscal estimate for the bill has not been provided to the members when the vote on passage is taken, the chief clerk shall read the fiscal estimate at length before the vote.

Joint Rule 50. Waiver of requirement to transmit electronically. The president and speaker may jointly waive for a limited time any requirement under joint rules 41, 43, 45, 46, 47, and 48 for electronic transmission and permit, instead, transmission in paper form.

ASSEMBLY AND SENATE RULES

Assembly Rule 99. Fiscal estimates. (1) The speaker or presiding officer may request from the legislative fiscal bureau an original fiscal estimate on a bill if the speaker or presiding officer believes that a fiscal estimate on the bill will not be completed by the state agency assigned to prepare the fiscal estimate before the bill receives a public hearing, is voted on by an assembly standing committee, or is considered by the assembly.

(2) An original fiscal estimate prepared under sub. (1) shall be submitted to the legislative reference bureau for review by the requester under joint rule 48 and for reproduction and insertion in the bill jacket envelope. The fiscal estimate, however, may not be reproduced or inserted if the fiscal estimate prepared by the state agency is available for reproduction and insertion before the fiscal estimate prepared under sub. (1).

(3) Unless otherwise determined by the assembly, failure to receive a fiscal estimate requested under sub. (1) on a bill that already has one or more original fiscal estimates does not delay consideration of the bill. Unless otherwise determined by the assembly, failure to receive a fiscal estimate requested other than under sub. (1) on a bill that already has one or more original fiscal estimates requested under sub. (1) does not delay consideration of the bill.

Senate Rule 96. Fiscal estimates. (1) The committee on senate organization may request from the legislative fiscal bureau an original fiscal estimate on a bill if the committee believes that a fiscal estimate on the bill will not be completed by the state agency assigned to prepare the fiscal estimate before the bill receives a public hearing, is voted on by a senate standing committee, or is considered by the senate.

(1m) The chairperson of any committee may request from the legislative fiscal bureau an original fiscal estimate on a bill if the fiscal estimate on the bill is not completed by the state agency assigned to prepare the fiscal estimate before the 5th day after the deadline specified under joint rule 42 (3).

(2) An original fiscal estimate prepared under sub. (1) shall be submitted to the legislative reference bureau for review by the requester under joint rule 48 and for reproduction and insertion in the bill jacket envelope. The fiscal estimate, however, may not be reproduced or inserted if the fiscal estimate prepared by the state agency is available for reproduction and insertion before the fiscal estimate prepared under sub. (1).

(3) Unless otherwise determined by the senate, failure to receive a fiscal estimate requested under sub. (1) on a bill that already has one or more original fiscal estimates does not delay consideration of the bill. Unless otherwise determined by the senate, failure to receive a fiscal estimate requested other than under sub. (1) on a bill that already has one or more original fiscal estimates requested under sub. (1) does not delay consideration of the bill.

EXAMPLES: technical memorandums, fiscal estimate narratives, and fiscal estimate worksheets

Richard A. Champagne, Chief and General Counsel
Legal 608-266-3561 • Information 608-266-0341



One East Main Street, Suite 200 • P.O. Box 2037
Madison, WI 53701-2037 • www.legis.state.wi.us/lrb

MEMORANDUM

TO Representative Kooyenga

FROM Joseph T. Kreye, Legal Services Manager, (608) 266-2263

DATE February 18, 2015

SUBJECT Technical memorandum to **2015 AB 48** (LRB-1623/1) by **DOR**

We received the attached technical memorandum relating to your bill. This copy is for your information and your file. If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

MEMORANDUM

February 16, 2015

TO: Joseph Kreye
Legislative Reference Bureau

FROM: Michael Wagner
Michael Oakleaf
Department of Revenue

SUBJECT: Technical Memorandum on 2015 AB 48 (LRB 1623/1)—
Treatment of Depreciation, Depletion, Amortization, and
Section 179 Deductions

The Department has the following technical concern with the above-referenced bill and suggests revision to correct the technical concern and reflect the author's intent as indicated to the Department via discussions with the author:

- The phrase "the law in effect on January 1, 2013" in proposed s. 71.98(3)(b) of the bill could be clarified to ensure that taxpayers know it is referring to Wisconsin laws by amending the paragraph in the following manner:

For purposes of computing depreciation, depletion, or amortization, and deductions, under section 179 of the Internal Revenue Code, for taxable year beginning on or after January 1, 2014, a taxpayer may use the law in effect on January 1, 2013, for taxable years beginning on or after January 1, 2014 continue to depreciate or amortize under the method used when the property was first placed in service. An election under this paragraph shall apply to all assets placed in service in a taxable year beginning before January 1, 2014, for which depreciation or amortization are computed. Individuals or entities claiming this election may not claim the basis adjustment under ss. 71.05(6)(b)50., 71.26(3)(ym), 71.34(1k)(n), or 71.45(2)(a)19.

If you have any questions regarding this technical memorandum, please contact Michael Oakleaf at 261-5173 or via email at Michael.oakleaf@revenue.wi.gov.

cc: Representative Kooyenga

View Estimate

Wisconsin Department of Administration
Division of Executive Budget and Finance

Fiscal Estimate - 2015 Session

Original Updated Corrected Supplemental

LRB Number 15-1623/1	Introduction Number AB-0048
Description Treatment of depreciation, depletion, and amortization for income and franchise tax purposes	
Fiscal Effect	
State:	
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input checked="" type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations	
Local:	
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
Fund Sources Affected	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
Affected Ch. 20 Appropriations	
Agency/Prepared By	Authorized Signature
DOR/ Michael Oakleaf (608) 261-5173	Michael Wagner (608) 266-6785
Date	
2/19/2015	

Fiscal Estimate Narratives DOR 2/19/2015

LRB Number 15-1623/1	Introduction Number AB-0048	Estimate Type Original
Description Treatment of depreciation, depletion, and amortization for income and franchise tax purposes		

Assumptions Used in Arriving at Fiscal Estimate

Under current law, for taxable years beginning after December 31, 2013, depreciation and amortization are calculated using the Internal Revenue Code (IRC) in effect on January 1, 2014. For the purposes of calculating depletion and deductions under Section

http://fes.doa.state.wi.us/combined_view.asp?aid=16179[12/12/2016 4:21:50 PM]

View Estimate

179, 179A, 179B, 179C, 179D, and 179E of the IRC, the IRC in effect for the year the assets are placed in service would be used.

The bill provides that for taxable years beginning on or after January 1, 2014, for purposes of computing depreciation, depletion, amortization, and deductions under Section 179 of the IRC, a taxpayer may use the law in effect on January 1, 2013.

Fiscal Effect

Under the assumption that the phrase "the law in effect on January 1, 2013" refers to only the IRC, the fiscal effect of the bill would be minimal, as the two major pieces of federal legislation affecting laws on depreciation, depletion, amortization, and Section 179 deductions for tax years 2013 (the American Taxpayer Relief Act of 2012, enacted January 2, 2013) and 2014 (the Tax Increase Prevention Act of 2014, enacted December 19, 2014) were not in effect on January 1 of 2013 and 2014, respectively.

If the phrase refers to state law, or to both the federal IRC and state law, and the bill is enacted before the June 15, 2015 estimated payment due date, the fiscal effect would be a reduction in revenue of an estimated \$7.9 million in fiscal year 2015, and revenue increases of an estimated \$2.23 million in fiscal years 2016 through 2018, and a revenue increase of an estimated \$1.21 million in fiscal year 2019. If the bill is enacted after the June 15, 2015 estimated payment due date, the fiscal effect would be a reduction in revenue of an estimated \$5.83 million in fiscal year 2016, and revenue increases of an estimated \$2.08 million in fiscal years 2017 and 2018, and a revenue increase of an estimated \$1.67 million in fiscal year 2019.

In general, because of the time value of money, taxpayers will choose the method that results in the lowest tax liability in the nearest term. The above estimates assume that taxpayers will generally choose to use the more beneficial provisions regarding depletion and Section 179 deductions in current state law, and therefore those provisions of the bill will have no fiscal effect. In addition, the assumptions above assume that taxpayers will largely choose the method for depreciation and amortization that results in the lowest tax year 2014 tax liability, and the fiscal effect derives from taxpayers choosing to use depreciation and amortization methods in effect on January 1, 2013 rather than those in current law. This estimate further assumes that some taxpayers will take the election to use prior law to relieve administrative burdens, even if it is to their detriment in terms of their tax year 2014 liability.

Long-Range Fiscal Implications

Since an election on depreciation only results in an acceleration of revenue loss; not a new source of loss; there is no long-range fiscal effect of this bill for tax years 2020 and thereafter.

Wisconsin Department of Administration
Division of Executive Budget and Finance

Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

Original Updated Corrected Supplemental

LRB Number 15-1623/1		Introduction Number AB-0048	
Description Treatment of depreciation, depletion, and amortization for income and franchise tax purposes			
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			

http://fes.doa.state.wi.us/combined_view.asp?aid=16179[12/12/2016 4:21:50 PM]

View Estimate

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, ets.)		
	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	\$	\$
Agency/Prepared By		
Authorized Signature		Date
DOR/ Michael Oakleaf (608) 261-5173		Michael Wagner (608) 266-6785
		2/19/2015

http://fes.doa.state.wi.us/combined_view.asp?aid=16179[12/12/2016 4:21:50 PM]



MEMORANDUM

TO Representative Barca

FROM Joseph T. Kreye, Legal Services Manager, (608) 266-2263

DATE March 30, 2015

SUBJECT Technical memorandum to **2015 AB 102** (LRB-0514/1) by **DOR**

We received the attached technical memorandum relating to your bill. This copy is for your information and your file. If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

MEMORANDUM

February 16, 2015

TO: Joseph Kreye
Legislative Reference Bureau

FROM: Michael Wagner
Michael Oakleaf
Department of Revenue

SUBJECT: Technical Memorandum on 2015 AB 102 (LRB 0514/1)—
Allow Refunds for the Angel Investment and Early Stage Seed
Investment Credits

The Department has the following technical concerns with the above-referenced bill:

- The reference to paragraph (e) in sections 3, 8, 14, and 19 is not needed. Paragraph (e) applies to the carry-over of unused credits. Refundable credits are not carried forward.
- Under current law, the taxpayer is required to reduce their basis in the investment by the amount of the credit that is used to offset taxes in order to reflect the benefit that the taxpayer realizes from the credit. Because the bill makes the credits refundable, the taxpayer may realize a benefit greater than the amount of taxes offset by the credit if the credit amount exceeds taxes due. The author may wish [to] amend sections 71.07 (5b) (d) 2. and (5d) (d) 4., 71.28 (5b) (d) 2., and 71.47 (5b) (d) 2. to require that the taxpayer's basis in the investment be reduced by the amount of the credit, rather than the amount used to offset taxes.
- In order to clarify whether the carryover of nonrefundable credits computed in prior taxable years become refundable for tax years beginning after December 31, 2014, the author may wish to use language similar to the jobs tax credit in s. 71.28 (3q) (d) 2. to specify that these carryforwards are refundable.

If you have any questions regarding this technical memorandum, please contact Michael Oakleaf at 261-5173 or via email at Michael.oakleaf@revenue.wi.gov.

cc: Rep. Barca

View Estimate

Wisconsin Department of Administration
Division of Executive Budget and Finance

Fiscal Estimate - 2015 Session

Original Updated Corrected Supplemental

LRB Number 15-0514/1	Introduction Number AB-0102
Description Allowing refunds for the early stage seed and angel investment tax credits and making an appropriation	
Fiscal Effect	
State:	
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input checked="" type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Decrease Costs <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Create New Appropriations	
Local:	
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
Fund Sources Affected	Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	20.835 (2) (ba)
Agency/Prepared By	Authorized Signature
DOR/ Michael Oakleaf (608) 261-5173	Robert Schmidt (608) 266-5773
	Date
	3/27/2015

Fiscal Estimate Narratives DOR 3/27/2015

LRB Number 15-0514/1	Introduction Number AB-0102	Estimate Type Original
Description Allowing refunds for the early stage seed and angel investment tax credits and making an appropriation		

Assumptions Used in Arriving at Fiscal Estimate

Under current law, individual taxpayers may claim Angel Investment credits for the taxpayer's investments in qualified new business ventures. Individuals and corporations may claim Early Stage Seed Investment Credits for the taxpayer's investment with a fund

http://fes.doa.state.wi.us/combined_view.asp?aid=16316[12/12/2016 4:02:49 PM]

View Estimate

manager that the fund manager invests in qualified new business ventures. Partnerships, limited liability companies, and tax-option corporations may not claim the Early Stage Seed Credit. A partnership, limited liability company, or tax-option corporation computes the amount of Early Stage Seed Credit that each of its partners, members, or shareholders may claim and provides that information to each of them. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit in proportion to their ownership interest or as specially allocated in their organizational documents. If the credit amounts exceed the taxpayer's tax liability, the taxpayer may carry forward the unused credit and use it to offset taxes due in subsequent taxable years.

Under the bill the Angel and Early Stage Seed credits would be refundable, in that credit amounts exceeding liability may be refunded to the taxpayer, for taxable years beginning on or after January 1, 2015.

Fiscal Estimate

Non-refundable credits are considered reductions in tax revenue. Refundable credits require an appropriation, and are therefore considered increases in appropriations. In general, changing a credit from non-refundable to refundable would involve an increase in revenue (technically a reduction in revenue reduction) and an increase in appropriations. In addition, the timing of the fiscal effect is different for non-refundable credits vs. refundable credits. Non-refundable credits are accounted for as reductions in estimated payments that happen quarterly throughout the taxable year, whereas refundable credits are accounted for as expenditures in the period when the returns claiming the credits are filed.

Based on a review of individual and corporate returns that claimed the Angel and Early Stage Seed Investment credits, and assuming: A) annual growth in claims that would occur under current law of 5% in the Angel Investment Credit and the Early Stage Seed Investment Credit; B) making the credits refundable would increase claims by an additional 10%; and c) credits carried forward from tax years beginning before January 1, 2015 would be refundable, the bill would result in an increase in revenue (reduction in revenue reduction) of the following amounts:

- FY 2015: \$2.0 million;
- FY 2016: \$8.4 million;
- FY 2017: \$8.8 million;
- FY 2018: \$9.2 million;
- FY 2019: \$9.6 million.

In addition, the bill would result in an increase in appropriations of the following amounts:

- FY 2016: \$10.2 million;
- FY 2017: \$12.7 million;
- FY 2018: \$10.2 million;
- FY 2019: \$10.7 million.

These estimates assume that the bill is enacted before the June 15, 2015 estimated tax payment due date. If the bill is enacted after that date, the fiscal effect for FY 2015 would be moved to (added to) the fiscal effect shown for FY 2016.

Long-Range Fiscal Implications

Wisconsin Department of Administration
Division of Executive Budget and Finance

Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

- Original
- Updated
- Corrected
- Supplemental

LRB Number 15-0514/1	Introduction Number AB-0102
Description Allowing refunds for the early stage seed and angel investment tax credits and making an appropriation	
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):	

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View Estimate

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	10,700,000	
TOTAL State Costs by Category	\$10,700,000	\$
B. State Costs by Source of Funds		
GPR	10,700,000	
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, ets.)		
	Increased Rev	Decreased Rev
GPR Taxes	\$9,600,000	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	\$9,600,000	\$
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$10,700,000	\$
NET CHANGE IN REVENUE	\$9,600,000	\$
Agency/Prepared By	Authorized Signature	Date
DOR/ Michael Oakleaf (608) 261-5173	Robert Schmidt (608) 266-5773	3/27/2015

http://fes.doa.state.wi.us/combined_view.asp?aid=16316[12/12/2016 4:02:49 PM]

