Wisconsin Department of Administration Division of Executive Budget and Finance DOA-2048 (R07/2000)

## Fiscal Estimate - 2001 Session

X	Original		Updated		Corrected	1000 1000	Supplemental
LRB	Number	01-3797/1		Introd	duction Numb	oer A	B-506
Subjec Interna		ode with technic	cal changes				
Fiscal	Effect						
Local:	No Local Gorndeterminate I. Increase Permiss 2. Decrease	Existing tions Existing tions ew Appropriation vernment Costs e e Costs sive Mandator se Costs	Revenue s 3. Increase	Revenue We Mand	absorb Decrea  5.Types o Units Aff Tow atory Gou	within ago Yes se Costs  f Local Go fected rns nties	May be possible to ency's budget No  Divernment  Village Cities Others Districts
Fund Sources Affected Affected Ch. 20 Appropriations							
<b>⊠</b> GP	R FED	PRO [	PRS SE	G SE	GS		
Agency	y/Prepared	Ву	Αι	uthorized S	Signature		Date
DOR/ Dennis Collier (608) 266-5773 Brian					(608) 266-2700		9/21/01

## Fiscal Estimate Narratives DOR 9/24/01

LRB Number <b>01-3797/1</b>	Introduction Number	AB-506	Estimate Type	Original				
Subject								
Internal Revenue Code with technical changes								

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

The bill would update the statutory reference to the Internal Revenue Code, with exceptions, so that federal laws enacted through December 31, 2000, would apply for Wisconsin income tax purposes. Specifically, the bill would adopt:

- 1) the Community Renewal Tax Relief Act provisions of the Consolidated Appropriations Act [Public Law (P.L.) 106-554], except that deductions for environmental remediation expenses and corporate donations of computer technology would not be adopted for Wisconsin purposes, and
- 2) the Installment Tax Correction Act (P.L. 106-573).

The bill would not adopt provisions of the Federal Sales Corporation Repeal and Extraterritorial Income Exclusion Act (P.L. 106-519) for Wisconsin purposes.

Federal provisions to which Wisconsin would conform under this bill relate to extension of the medical savings account program, tax benefits with respect to kidnapped children, individual retirement accounts for nonworking spouses, the federal renewal communities and empowerment zone programs, the basis of stock received in tax-free exchanges, securities futures contracts, and use of the installment method by accrual method taxpayers. Provisions requiring taxpayers to reduce the basis of stock in certain tax-free exchanges would increase tax revenues by \$100,000 annually. Other provisions would have a limited fiscal effect.

**Long-Range Fiscal Implications** 

## Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

	Original		Updated		Corrected		Supplemental			
LRB	Number	01-3797/	1		Introduction Numl	ber /	AB-506			
Subjec	ət									
Interna	ıl Revenue C	ode with techr	nical changes							
I. One-	time Costs	or Revenue Ir	mpacts for St	tate	and/or Local Governme	nt (do no	ot include in			
amma	lized fiscal e	errect):								
<u> </u>				<del></del>		·				
II. Ann	ualized Cos	its:		$\dashv$	Annualized Fiscal Impact on funds from:					
A Stat	te Costs by	Catamany			Increased Costs		Decreased Costs			
		s - Salaries and	d Eringe	—т	Ф.					
	E Position Ch		ı Filinges	$\dashv$	\$					
<del></del>		s - Other Costs		$\dashv$	<u> </u>	<u></u>				
	al Assistance			$\dashv$						
<del></del>		ls or Organizat	tions	$\dashv$						
<del></del>		Costs by Cate		一	\$		\$			
		Source of Fur				<u> </u>	т.			
GPR				Т						
FED				丁						
PRO	)/PRS	· ·								
SEG	S/SEG-S									
III. Stat	le Revenues	s - Complete t	his only whe	n pi	oposal will increase or o	decrease	state revenues			
(e.g., ta	ax increase,	, decrease in l	license fee, e	ets.) T			<del></del>			
IGDD	R Taxes			$\dashv$	Increased Rev		Decreased Rev			
<del>                                     </del>	R Laxes			$\dashv$	\$100,000					
FED	•		<del></del>	$\dashv$						
<del></del>	)/PRS			$\dashv$			<del> </del>			
	S/SEG-S		<del></del>	十						
	OTAL State	Revenues		十	\$100,000		\$			
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<del></del>	· · · · · · · · · · · · · · · · · · ·			<u></u>	State		Local			
NET CI	NET CHANGE IN COSTS				\$		\$			
NET CI	NET CHANGE IN REVENUE			1	\$100,000		\$			
						<u></u>	· · · · · · · · · · · · · · · · · · ·			
Agenc	Agency/Prepared By Aut			Aut	horized Signature		Date			
DOR/ [	DOR/ Dennis Collier (608) 266-5773 Brid			Bria	n Pahnke (608) 266-2700		9/21/01			
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