## Fiscal Estimate - 2001 Session

×	Original		Updated		Corrected		Supplei	mental		
LRB	Number	01-4155/1		Introd	luction Numbe	er A	B-658			
Subject Increase capital gains exclusion from 60% to 100%										
Fiscal	Effect									
	No State Fisc ndeterminate Increase I Appropria Decrease Appropria Create No	e Existing tions Existing	Reven  Decrea	ase Existing	general contract of the contra	ithin age Yes	May be p ency's bu			
	ndeterminat  1.	e Costs sive Mandato se Costs sive Mandato	3. Increasory Permis 4. Decreasory	ssive Mand ase Revenue	☐ Count	cted s [ ties [	Village Others WTCS Districts	Cities		
Fund Sources Affected  Affected Ch. 20 Appropriations  GPR FED PRO PRS SEG SEGS										
Agenc	y/Prepared	Ву		Authorized S	Signature			Date		
DOR/ Meredith Krejny (608) 261-8984 Brian					ian Pahnke (608) 266-2700			12/3/01		

## Fiscal Estimate Narratives DOR 12/4/01

LRB Number <b>01-4155/1</b>	Introduction Number	AB-658	Estimate Type	Original				
Subject		· · · · · · · · · · · · · · · · · · ·						
Increase capital gains exclusion from 60% to 100%								

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

Under current law, Wisconsin allows taxpayers to exclude from income 60% of the capital gain on assets held more than one year. This bill would increase the existing exclusion to 100%.

According to a simulation using the 1999 Wisconsin Individual Income Tax sample, this bill would have reduced state income tax revenues by \$159 million in tax year 1999. This fiscal effect could be more or less in future years depending on the actual amount of capital gains realized in that year.

**Long-Range Fiscal Implications** 

## Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

☑ Original ☐ Updated	Corrected	Supplemental									
LRB Number <b>01-4155/1</b>	Introduction Numb	er <b>AB-658</b>									
Subject											
Increase capital gains exclusion from 60% to 100%											
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in											
annualized fiscal effect):											
II. Annualized Costs:	Annualized Fis	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											
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 who (e.g., tax increase, decrease in license fee,	en proposal will increase or dets.)	lecrease state revenues									
	Increased Rev	Decreased Rev									
GPR Taxes	\$	\$-159,000,000									
GPR Earned											
FED											
PRO/PRS											
SEG/SEG-S											
TOTAL State Revenues	\$	<b>\$-159,000,000</b>									
NET ANNUALIZED FISCAL IMPACT											
	<u>State</u>	<u>Local</u>									
NET CHANGE IN COSTS	\$	\$									
NET CHANGE IN REVENUE	\$-159,000,000	\$									
Agency/Prepared By	Authorized Signature	Date									
DOR/ Meredith Krejny (608) 261-8984	Brian Pahnke (608) 266-2700	12/3/01									