

### Fiscal Estimate - 2005 Session

Original       Updated       Corrected       Supplemental

<b>LRB Number</b> 05-2571/1		<b>Introduction Number</b> AB-697		
<b>Subject</b> Disallowing tax benefits to a financial institution if the institution violates a soldiers relief act				
<b>Fiscal Effect</b>				
<b>State:</b>				
<input type="checkbox"/> No State Fiscal Effect				
<input checked="" type="checkbox"/> Indeterminate				
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues		
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues		
<input type="checkbox"/> Create New Appropriations		<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
		<input type="checkbox"/> Decrease Costs		
<b>Local:</b>				
<input type="checkbox"/> No Local Government Costs				
<input checked="" type="checkbox"/> Indeterminate				
<b>5. Types of Local Government Units Affected</b>				
1. <input type="checkbox"/> Increase Costs		3. <input type="checkbox"/> Increase Revenue		
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue		
<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		
		<input type="checkbox"/> Counties <input type="checkbox"/> Others		
		<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
<b>Fund Sources Affected</b>		<b>Affected Ch. 20 Appropriations</b>		
<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				
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>		<b>Date</b>
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## Fiscal Estimate Narratives

DOR 10/6/2005

LRB Number 05-2571/1	Introduction Number AB-697	Estimate Type Original
<b>Subject</b> Disallowing tax benefits to a financial institution if the institution violates a soldiers relief act		

### Assumptions Used in Arriving at Fiscal Estimate

Persons who are active in the U.S. armed forces and their dependents are provided certain protections under state and federal civil relief acts regarding lawsuits, leases, obligations and contracts during the period that they are in active service.

The bill would require the Department of Revenue to deny certain tax benefits to any financial organization for seven years if the financial organization were to violate the state or federal soldiers' civil relief act. Tax benefits include property tax exemptions, and tax credits, deductions and exclusions for income and franchise taxes.

A financial organization is defined to include any bank, trust company, savings bank, industrial bank, land bank, safe deposit company, private banker, savings and loan association, credit union, cooperative bank, small loan company, sales finance company, investment company, brokerage house, underwriter or any type of insurance company.

Information is not available to determine which financial organizations would violate the civil relief acts or what the revenue effect would be of denying them tax benefits.

### Long-Range Fiscal Implications