

### Fiscal Estimate - 2005 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>05-3645/3</b>	<b>Introduction Number</b> <b>AB-729</b>
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**Subject**  
 Temporary reduction in motor vehicle fuel tax rate

**Fiscal Effect**

**State:**

<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Decrease Existing Revenues	<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
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**Local:**

<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Government Units Affected <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
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<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> DOR/ Jacek Cianciara (608) 266-8133	<b>Authorized Signature</b> Paul Ziegler (608) 266-5773	<b>Date</b> 10/25/2005
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**Fiscal Estimate Narratives**  
**DOR 10/25/2005**

LRB Number	<b>05-3645/3</b>	Introduction Number	<b>AB-729</b>	Estimate Type	<b>Original</b>
<b>Subject</b>					
Temporary reduction in motor vehicle fuel tax rate					

**Assumptions Used in Arriving at Fiscal Estimate**

This bill reduces the rate of the motor vehicle fuel tax by 15 cents per gallon for the 120 day period beginning on the fourteenth day after the bill's effective date.

In fiscal year 2005-06 the bill also transfers from the general fund to the transportation fund an amount determined by the department of revenue that is approximately equal to the difference between the amount of taxes that the Department collected during the 120 day period and the amount of taxes that the department would have collected if the reduction had not been in effect.

The Department of Transportation estimates that the bill would decrease motor fuel tax revenue collections by \$157.5 million. Consequently, the bill's requirement that a transfer be made from the general fund to the transportation fund to offset the loss of SEG motor fuel tax revenue created by the bill will reduce the general fund's balance by \$157.5 million.

The Department of Revenue's costs to administer the bill would be absorbed in its budget.

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

LRB Number <b>05-3645/3</b>		Introduction Number <b>AB-729</b>	
<b>Subject</b>			
Temporary reduction in motor vehicle fuel tax rate			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
\$157.5 million GPR cost to offset temporary motor fuel tax rate reduction.			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
	State Operations - Salaries and Fringes	\$	
	(FTE Position Changes)		
	State Operations - Other Costs		
	Local Assistance		
	Aids to Individuals or Organizations		
	<b>TOTAL State Costs by Category</b>	<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
	GPR		
	FED		
	PRO/PRS		
	SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S		
	<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
	NET CHANGE IN COSTS	\$	\$
	NET CHANGE IN REVENUE	\$	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
DOR/ Jacek Cianciara (608) 266-8133		Paul Ziegler (608) 266-5773	10/25/2005