

Fiscal Estimate - 2007 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 07-2277/1	Introduction Number AB-0362
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Description
 Providing financial aid to military families, creating an individual income tax checkoff for the military family relief fund, providing an exemption from emergency rule procedures, granting rule-making authority, and making an appropriation

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Indeterminate	<input checked="" 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 checked="" type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Decrease Costs	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Local:

<input type="checkbox"/> No Local Government Costs	<input type="checkbox"/> Indeterminate	5. Types of Local Government Units Affected		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	<input type="checkbox"/> Towns	<input type="checkbox"/> Village	<input type="checkbox"/> Cities
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Counties	<input type="checkbox"/> Others	<u>0</u>
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	<input type="checkbox"/> School Districts	<input type="checkbox"/> WTCS Districts	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory			

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.566(1)(hp)	

Agency/Prepared By DOR/ Bradley Caruth (608) 261-8984	Authorized Signature Rebecca Boldt (608) 266-6785	Date 6/5/2007
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Fiscal Estimate Narratives

DOR 6/5/2007

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Assumptions Used in Arriving at Fiscal Estimate

Under current Wisconsin law, taxpayers are allowed to donate to any of six charitable funds listed in their individual income tax returns. The designated donation amount either increases the payment due at the time the return is filed or decreases the amount that is refunded to the taxpayer.

Under this bill, a new charitable check-off would be created for the Military Family Relief Fund. The total donations, less the cost of administering the check-off, are to be used to provide financial aid to the immediate family of members of the national guard or reservists who are serving in active duty in the U.S. armed forces.

Historical data show that the introduction of a new check-off is generally associated with an increase in total donations and a decrease in donations to previously existing check-offs. For example, the Breast Cancer Research check-off was added to individual income tax forms in 2004 and raised \$330,000. Donations to previously existing funds decreased by \$150,000. In tax year 2005, the Veterans Trust Fund check-off was added to individual income tax forms and raised \$130,000. Donations to the other check-off funds decreased during that year by \$110,000.

The extent to which individual charities raise money depends on their popularity and both the number and substitutability of existing charities. Although the effect of the Military Family Relief check-off is not known, it is expected that a portion of its donations will come from new donors and a portion will be the result of taxpayers substituting donations from other check-off charities.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

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Description Providing financial aid to military families, creating an individual income tax checkoff for the military family relief fund, providing an exemption from emergency rule procedures, granting rule-making authority, and making an appropriation			
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			
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, etc.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues		\$	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$SeeText	\$
Agency/Prepared By		Authorized Signature	
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		Date	
		6/5/2007	