

Fiscal Estimate - 2007 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 07-0013/1	Introduction Number SB-073
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Description
 Creating an income and franchise tax credit for constructing and operating a data center that is designed for maximum energy efficiency and minimum environmental impact and providing an exemption from rule-making procedures

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Indeterminate	<input checked="" type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs		
<input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected
<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	

Towns Village Cities
 Counties Others
 School Districts WTCS Districts

Fund Sources Affected	Affected Ch. 20 Appropriations
<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	

Agency/Prepared By DOR/ Michael Oakleaf (608) 261-5173	Authorized Signature Rebecca Boldt (608) 266-6785	Date 3/12/2007
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Fiscal Estimate Narratives

DOR 3/12/2007

LRB Number	07-0013/1	Introduction Number	SB-073	Estimate Type	Original
Description Creating an income and franchise tax credit for constructing and operating a data center that is designed for maximum energy efficiency and minimum environmental impact and providing an exemption from rule-making procedures					

Assumptions Used in Arriving at Fiscal Estimate

This bill creates an income and franchise tax credit for taxable years beginning after June 30, 2007, and before July 1, 2009, in an amount equal to the amount a person paid in the taxable year for items that are either energy efficient or have a minimal environmental impact and that are used to construct or operate a "green data center." Under the bill, a green data center is a repository for the storage, management, and dissemination of data, if the mechanical, lighting, electrical, and computer systems of the real property in which the repository is located are designed for maximum energy efficiency and minimum environmental impact. The Department of Commerce would certify businesses as eligible for the credits.

Fiscal Estimate

Since most taxpayers use calendar year as their tax year, the only tax year for which the credit will be available for most filers is 2008. Because of this, the bill would result in a one-time reduction in tax revenues of an estimated \$2 million, the limit established in the bill, in state fiscal year 2009.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

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LRB Number 07-0013/1	Introduction Number SB-073
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Description
 Creating an income and franchise tax credit for constructing and operating a data center that is designed for maximum energy efficiency and minimum environmental impact and providing an exemption from rule-making procedures

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

Since most taxpayers use calendar year as their tax year, the only tax year for which the credit will be available for most filers is 2008. Because of this, the fiscal effect of \$2 million revenue loss would be expected in state fiscal year 2009.

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	\$	\$

Agency/Prepared By	Authorized Signature	Date
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