

Fiscal Estimate - 2009 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 09-1583/2	Introduction Number SB-056	
Description An income and franchise tax credit for workplace wellness programs, granting rule-making authority, and requiring the exercise of rule-making authority		
Fiscal Effect		
State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
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 <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 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"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
Fund Sources Affected Affected Ch. 20 Appropriations <input 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 COMM/ Julie Keal (608) 266-6748	Authorized Signature Louie Cornelius (608) 266-8629	Date 2/20/2009

Fiscal Estimate Narratives

COMM 2/20/2009

LRB Number	09-1583/2	Introduction Number	SB-056	Estimate Type	Original
Description An income and franchise tax credit for workplace wellness programs, granting rule-making authority, and requiring the exercise of rule-making authority					

Assumptions Used in Arriving at Fiscal Estimate

This bill creates the Workplace Wellness Program Tax Credit. All businesses in the state that pay taxes under Chapter 71 of the statutes and that make eligible workplace wellness expenditures are eligible to apply to the Department of Commerce for certification to claim the credit. The department's responsibilities are as follows:

1. Certify workplace wellness programs according to statutory criteria. In order to do so, the department must first define "workplace wellness program" and develop an application process by administrative rule.
2. Allocate tax credits to businesses with certified workplace wellness programs. The department may not annually allocate more than \$2,500,000 in tax credits to businesses with more than 50 employees, and may not allocate more than \$2,500,000 to businesses with 50 or fewer employees. The department shall notify the Department of Revenue of all businesses with certified workplace wellness programs and the amount of the credit allocated to each business.

To administer this program, the department will require 2.0 FTE GPR positions. These positions will be an economic development consultant and a grants specialist. The economic development consultant will work with businesses to determine how best to meet their needs and further economic development. The grants specialist will work with certifying workplace wellness programs and verifying tax credit claims. Annual costs will be as follows:

Salary -- \$89,800
Fringe -- \$40,900
Supplies -- \$12,000

TOTAL -- \$142,700

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

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LRB Number 09-1583/2		Introduction Number SB-056	
Description An income and franchise tax credit for workplace wellness programs, granting rule-making authority, and requiring the exercise of rule-making authority			
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	\$130,700		\$
(FTE Position Changes)	(2.0 FTE)		
State Operations - Other Costs	12,000		
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$142,700		\$
B. State Costs by Source of Funds			
GPR	142,700		
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	\$142,700		\$
NET CHANGE IN REVENUE	\$		\$
Agency/Prepared By		Authorized Signature	Date
COMM/ Julie Keal (608) 266-6748		Louie Cornelius (608) 266-8629	2/20/2009