



## Fiscal Estimate Narratives

DOR 2/24/2009

LRB Number <b>09-0549/1</b>	Introduction Number <b>SB-064</b>	Estimate Type <b>Original</b>
<b>Description</b> increasing the amount of the individual income tax personal exemption for certain older taxpayers.		

### Assumptions Used in Arriving at Fiscal Estimate

Under current Wisconsin individual income tax law, a personal exemption of \$700 may be claimed for each taxpayer, spouse, and dependent. An additional exemption of \$250 may be claimed by a taxpayer or spouse who has reached the age of 65 by the close of the tax year.

This bill would increase the \$250 exemption for certain elderly taxpayers. For those taxpayers and spouses who have reached the age of 70, the exemption amount would be increased to \$300, and taxpayers and spouses who have reached the age of 75 could claim a \$350 exemption.

Based on a simulation using the 2005 Individual Income Tax Model, inflated for 2009 income levels and law, the increased additional personal exemption for elderly filers would decrease state income tax revenues by an estimated \$830,000 in tax year 2009.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 09-0549/1		<b>Introduction Number</b> SB-064	
<b>Description</b> increasing the amount of the individual income tax personal exemption for certain older taxpayers.			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<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	\$	\$-830,000
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S		
	<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$-830,000</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$-830,000	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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