

Fiscal Estimate - 2013 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 13-1872/1	Introduction Number AB-0116
Description Eliminating the estate tax	
Fiscal Effect	
State:	
<input checked="" 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 type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
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 <u> 0 </u> <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
Fund Sources Affected	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
Affected Ch. 20 Appropriations	
Agency/Prepared By	Authorized Signature
DOR/ Jacek Cianciara (608) 266-8133	Paul Ziegler (608) 266-5773
	Date
	4/3/2013

Fiscal Estimate Narratives

DOR 4/3/2013

LRB Number	13-1872/1	Introduction Number	AB-0116	Estimate Type	Original
Description Eliminating the estate tax					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, Wisconsin's estate tax is equal to the federal credit for state death taxes in effect for the federal estate tax on the day of the decedent's death.

In recent years, several federal law changes have effectively voided Wisconsin's estate tax. Except for 2010, when no federal estate tax existed, this occurred through federal estate tax provisions offering a deduction, rather than a credit, for state death taxes. This treatment was made permanent by the American Taxpayer Relief Act of 2012 for deaths beginning in 2013. As a consequence of these federal changes, no Wisconsin estate tax has been imposed on deaths occurring after December 31, 2007.

This bill eliminates the state estate tax beginning with deaths occurring on January 1, 2013.

This bill will have no fiscal effect assuming federal estate tax law continues to offer a deduction, rather than a credit, for state estate taxes.

Long-Range Fiscal Implications