

## Fiscal Estimate - 2013 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>13-1626/1</b>	<b>Introduction Number</b> <b>AB-0261</b>
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**Description**  
 Registration of all-terrain vehicles and utility terrain vehicles used exclusively for agricultural purposes or used exclusively on private property

**Fiscal Effect**

**State:**

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

**Local:**

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

**Fund Sources Affected**

- GPR    FED    PRO    PRS    SEG    SEGS

**Affected Ch. 20 Appropriations**

<b>Agency/Prepared By</b> DOR/ Jacek Cianciara (608) 266-8133	<b>Authorized Signature</b> Robert Schmidt (608) 267-9892	<b>Date</b> 8/15/2013
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## Fiscal Estimate Narratives

DOR 8/15/2013

LRB Number	<b>13-1626/1</b>	Introduction Number	<b>AB-0261</b>	Estimate Type	<b>Original</b>
<b>Description</b> Registration of all-terrain vehicles and utility terrain vehicles used exclusively for agricultural purposes or used exclusively on private property					

### Assumptions Used in Arriving at Fiscal Estimate

Current law prohibits operating an all-terrain vehicle (ATV) or utility terrain vehicle (UTV) unless the ATV or UTV is registered by the Department of Natural Resources (DNR) or is exempt from registration. An ATV or UTV is exempt from registration if it is registered in another state and is in this state for a limited period of time. An ATV or UTV used exclusively for agricultural purposes or exclusively on private property is not required to be registered with DNR as ATV or UTV for public use, but must be registered for private use. Purchasers of fuel used in ATVs or UTVs registered for private use may apply to the department for a refund taxes paid on motor fuel.

Under this bill, an ATV or UTV used exclusively for agricultural purposes or exclusively on private property is not required to be registered. Since the registration requirement is eliminated by the proposed legislation, the occasional sales tax exemption may apply entailing an increased number of ATVs and UTVs sales exempt from the sale and use tax. ATVs and UTVs sold by dealers or registered for use on public trails would remain subject to the state sales/use tax.

In FY2012, tax collected from the occasional sales of ATVs and UTVs reached \$1.0 million. Based on the results of a Wisconsin Department of Tourism study, more than 90% of ATV owners use their ATVs on trails, suggesting 10% of ATVs are used exclusively on private property. Assuming 10% of the tax collected on occasional sales of ATVs pertains to vehicles used exclusively on private property, removing the registration requirements would decrease state sales/use tax collections by \$100,000 on an annual basis.

County and stadium district sales taxes were 8.2% of state sales taxes in FY12. Assuming this percentage does not change, county and stadium sales and use taxes would decrease by \$8,200 annually.

Changes under the proposed law would have a minimal impact on DOR administrative costs and could be absorbed within existing resources.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2013 Session

Detailed Estimate of Annual Fiscal Effect

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<b>LRB Number</b> 13-1626/1		<b>Introduction Number</b> AB-0261	
<b>Description</b> Registration of all-terrain vehicles and utility terrain vehicles used exclusively for agricultural purposes or used exclusively on private property			
<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, ets.)</b>			
	Increased Rev	Decreased Rev	
GPR Taxes	\$	\$-100,000	
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$-100,000</b>	
<b>NET ANNUALIZED FISCAL IMPACT</b>			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$	\$	
NET CHANGE IN REVENUE	\$-100,000	\$	
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
DOR/ Jacek Cianciara (608) 266-8133		Robert Schmidt (608) 267-9892	8/15/2013