

Fiscal Estimate Narratives

DOR 4/1/2013

LRB Number	13-0869/1	Introduction Number	AB-0047	Estimate Type	Original
Description Entrepreneurial tax credit access grants					

Assumptions Used in Arriving at Fiscal Estimate

Under this bill, the Wisconsin Economic Development Corporation (WEDC) may award grants to individuals who wish to secure financing to make expenditures that would qualify for a tax credit. A person who receives a grant to secure financing for making an expenditure that would qualify for a tax credit may not claim a credit for that expenditure.

The non-refundable credits that may not be claimed are the economic development tax credit, technology zones credit, and the dairy and livestock farm investment credit. Refundable credits that may not be claimed are the dairy manufacturing facility investment credit, meat processing facility investment credit, woody biomass harvesting and processing credit, or food processing plant and food warehouse investment credit. WEDC certifies claimants for the economic development and technology zones credit. The Department of Agriculture, Trade, and Consumer Protection (DATCP) certifies claimants for the dairy manufacturing facility investment credit, meat processing facility investment credit, woody biomass harvesting and processing credit, and food processing plant and food warehouse investment credits.

Aggregate refundable credit claims and aggregate credits allocated by WEDC and DATCP are unlikely to be impacted by the grants under this bill. In the case of refundable credits, the credit would exceed the grant amount, so individuals would be unlikely to opt for the grant. In the case of allocated credits, WEDC and DATCP would be able to allocate the credit to another claimant instead. The dairy and livestock farm investment credit may be impacted, since it is neither refundable nor allocated by WEDC. The impact of the grants on the dairy and livestock farm investment credit is unknown, but to the extent that claimants otherwise eligible for the credit instead receive the grant, aggregate new claims for the credit would be reduced.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2013 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 13-0869/1		Introduction Number AB-0047	
Description Entrepreneurial tax credit access grants			
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	\$	\$
	(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			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$See Text	\$
Agency/Prepared By			
DOR/ Bradley Caruth (608) 261-8984		Authorized Signature	
		John Koskinen (608) 267-8973	
		Date	
		4/1/2013	