

### Fiscal Estimate - 2017 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>17-4682/1</b>	<b>Introduction Number</b> <b>AB-0683</b>
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**Description**  
 a sales and use tax exemption for feminine hygiene products

**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 District</u><br><input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |
|--|--|---|

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

<b>Agency/Prepared By</b> DOR/ Mike Miller (608) 266-8133	<b>Authorized Signature</b> Robert Schmidt (608) 266-5773	<b>Date</b> 12/5/2017
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## Fiscal Estimate Narratives

DOR 12/5/2017

LRB Number	17-4682/1	Introduction Number	AB-0683	Estimate Type	Original
<b>Description</b> a sales and use tax exemption for feminine hygiene products					

### Assumptions Used in Arriving at Fiscal Estimate

The bill creates a sales and use tax exemption for the purchase of feminine hygiene products.

Based on industry data gathered by Information Resources Inc. (IRI) and Statista Inc., U.S. sales of feminine hygiene products (tampons, sanitary pads, liners and similar products) are estimated to be \$2.729 billion in 2018. Using census data, the department estimates the Wisconsin share of the U.S. female population to be 1.77%. The department estimates Wisconsin sales of feminine hygiene products to be \$48.33 million ( $\$2.729 \text{ billion} * 1.77\%$ ) in 2018.

It is estimated that sales tax collections will decrease under the bill by \$2.42 million ( $\$48.33 \text{ million} * 5\%$ ) on an annual basis.

County and stadium district sales taxes were equal to approximately 7.6% of state sales tax revenues in FY17. Assuming this percentage does not change, county and stadium district sales taxes will decrease by about \$180,000 ( $\$2.42 \text{ million} * 7.6\%$ ) per year.

The fiscal estimate may be larger to the extent the sales of "feminine hygiene products" exceed the amount estimated by the Department.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2017 Session

Detailed Estimate of Annual Fiscal Effect

Original
  Updated
  Corrected
  Supplemental

<b>LRB Number</b> <b>17-4682/1</b>	<b>Introduction Number</b> <b>AB-0683</b>	
<b>Description</b> a sales and use tax exemption for feminine hygiene products		
<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	\$	\$-2,420,000
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$-2,420,000</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$-2,420,000	-\$180,000
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DOR/ Mike Miller (608) 266-8133	Robert Schmidt (608) 266-5773	12/5/2017