

### Fiscal Estimate - 2017 Session

Original     
  Updated     
  Corrected     
  Supplemental

LRB Number <b>17-2344/1</b>	Introduction Number <b>SB-121</b>
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**Description**  
 adopting a provision of the Internal Revenue Code related to the tax-free distribution from an individual retirement account to a qualified charitable organization

**Fiscal Effect**

**State:**

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

**Local:**

<input type="checkbox"/> No Local Government Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
1. <input type="checkbox"/> Increase Costs	4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Counties <input type="checkbox"/> Others <u>0</u>
		<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/ Bradley Caruth (608) 261-8984	<b>Authorized Signature</b> Jamie Adams (608) 266-6785	<b>Date</b> 3/23/2017
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## Fiscal Estimate Narratives

DOR 3/23/2017

LRB Number	17-2344/1	Introduction Number	SB-121	Estimate Type	Original
<b>Description</b> adopting a provision of the Internal Revenue Code related to the tax-free distribution from an individual retirement account to a qualified charitable organization					

### Assumptions Used in Arriving at Fiscal Estimate

Under current federal law, individuals aged 70 1/2 years or older may exclude from taxable income up to \$100,000 distributed from an individual retirement account (IRA) directly to a qualified charitable organization. For Wisconsin income tax purposes, the distribution amount must be included in income, but individuals may claim the itemized deduction credit for the charitable contribution.

Beginning in tax year 2017, this bill adopts federal law as it relates to charitable distributions from an IRA. The provision is expected to reduce revenue by \$4.2 million in fiscal year 2017, \$4.8 million in fiscal year 2018, \$5.2 million in fiscal year 2019, and similar amounts annually thereafter. If the provision becomes law after or near the end of fiscal year 2017, the fiscal effect attributed to fiscal year 2017 will instead fall under fiscal year 2018.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2017 Session

Detailed Estimate of Annual Fiscal Effect

Original
  Updated
  Corrected
  Supplemental

<b>LRB Number</b> 17-2344/1	<b>Introduction Number</b> SB-121	
<b>Description</b> adopting a provision of the Internal Revenue Code related to the tax-free distribution from an individual retirement account to a qualified charitable organization		
<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	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$See Text	\$
<b>Agency/Prepared By</b>		
<b>Authorized Signature</b>		<b>Date</b>
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		3/23/2017