

### Fiscal Estimate - 2017 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 17-2521/1	<b>Introduction Number</b> SB-706	
<b>Description</b> Income and franchise tax credit for the development of low-income housing		
<b>Fiscal Effect</b>		
<b>State:</b>		
<input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
<b>Local:</b>		
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs      3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs      4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <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 <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
<b>Fund Sources Affected</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>Affected Ch. 20 Appropriations</b>		
<b>Agency/Prepared By</b> WHEDA/ Debi Towns (608) 267-5200	<b>Authorized Signature</b> Debi Towns (608) 267-5200	<b>Date</b> 2/5/2018

**Fiscal Estimate Narratives**

**WHEDA 2/5/2018**

LRB Number <b>17-2521/1</b>	Introduction Number <b>SB-706</b>	Estimate Type <b>Original</b>
<b>Description</b> Income and franchise tax credit for the development of low-income housing		

**Assumptions Used in Arriving at Fiscal Estimate**

Possible reduction in state tax receipts could be up to \$42M depending on usage.

On average, it has cost WHEDA approximately \$1.5M per year to allocate and monitor LIHTC. The federal LIHTC allocations total around \$13M. WHEDA does not use any of the allocation amount as fees but instead collects fees from the entities that receive the allocations. WHEDA anticipates a WI State LIHTC would be structured in similar fashion.

It is anticipated that WHEDA costs for a State LIHTC program would be tempered if the state program worked in conjunction with the federal program. There would be some efficiencies realized if these credits are allocated to the same portfolio of deals.

**Long-Range Fiscal Implications**