

**ADMINISTRATIVE RULES  
FISCAL ESTIMATE  
AND ECONOMIC IMPACT ANALYSIS**

Type of Estimate and Analysis

Original     Updated     Corrected

Administrative Rule Chapter, Title and Number

Section Tax 11.10: Wind, solar, and certain gas powered products

Subject

Sales and use tax exemption for certain energy-producing wind, solar, and gas powered products and the electricity or energy they produce

Fund Sources Affected

Chapter 20 , Stats. Appropriations Affected

GPR     FED     PRO     PRS     SEG     SEG-S

Fiscal Effect of Implementing the Rule

No Fiscal Effect

Increase Existing Revenues

Increase Costs

Indeterminate

Decrease Existing Revenues

Could Absorb Within Agency's Budget

Decrease Costs

The Rule Will Impact the Following (Check All That Apply)

State's Economy

Specific Businesses/Sectors

Local Government Units

Public Utility Rate Payers

Would Implementation and Compliance Costs Be Greater Than \$20 million?

Yes     No

Policy Problem Addressed by the Rule

The rule does not create or revise policy, other than to reflect a statutory change.

Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)

The statutory change to which this rule pertains created a state economic impact equal to the estimated state fiscal effect (described in the attached fiscal estimate form). The rule itself does not create any further impact or implementation and compliance costs, except that, by providing clarifications and examples, may reduce the costs that businesses and individuals would otherwise incur to comply with the new statute.

The majority of comments submitted in response to the department's solicitation expressed general support or opposition, and did not address economic impact. Comments that addressed economic impact did so generally and were directed at the underlying statutory exemption. No comments related directly to implementation and compliance costs or indicated the proposed rule would adversely affect in a material way the economy, a sector of the economy, productivity, jobs, or the overall economic competitiveness of Wisconsin. As such, the comments received provide support to the above conclusion that the rule itself does not create any further economic impact beyond the statutory change to which it pertains.

Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

Clarifications and guidance provided by administrative rules may lower the compliance costs for businesses, local governmental units, and individuals.

If the rule is not implemented, Chapter Tax 11 will be incomplete in that it will not reflect current law.

Long Range Implications of Implementing the Rule

No long-range implications are anticipated.

Compare With Approaches Being Used by Federal Government

N/A

Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

Michigan and Illinois do not have related statutory provisions. Minnesota has related statutory provisions, but does not have rules pertaining to those statutes. Iowa has related statutory provisions and rules pertaining to those statutes. However, Iowa's rules merely reiterate the statutes and do not interpret them.