

**FISCAL ESTIMATE FORM**

**2011 Session**

- ORIGINAL       UPDATED  
 CORRECTED       SUPPLEMENTAL

**LRB # 11-**

**INTRODUCTION #**

**Admin. Rule # Chapter tax 3.05**

**Subject PROPOSED ORDER OF THE DEPARTMENT OF REVENUE CREATING RULES FOR INCOME TAX DEDUCTION FOR JOB CREATION**

**Fiscal Effect**

**State:**  No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

- Increase Existing Appropriation       Increase Existing Revenues  
 Decrease Existing Appropriation       Decrease Existing Revenues  
 Create New Appropriation

- Increase Costs - May be Possible to Absorb Within Agency's Budget  Yes  No  
 Decrease Costs

**Local:**  No Local Government Costs

- |   |   |
|---|---|
| <p>1. <input type="checkbox"/> Increase Costs<br/> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</p> <p>2. <input type="checkbox"/> Decrease Costs<br/> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</p> | <p>3. <input type="checkbox"/> Increase Revenues<br/> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</p> <p>4. <input type="checkbox"/> Decrease Revenues<br/> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</p> |
|---|---|

5. Types of Local Governmental Units Affected:
- Towns     Villages     Cities  
 Counties     Others \_\_\_\_\_  
 School Districts     WTCS Districts

**Fund Sources Affected**

- GPR     FED     PRO     PRS     SEG     SEG-S

**Affected Ch. 20 Appropriations**

**Assumptions Used in Arriving at Fiscal Estimate:**

The proposed rule order does the following:

- 1) clarifies certain terms as they apply to the job creation deduction under ss. 71.05 (6) (b) 47., 71.26 (1) (h), and 71.45 (1) (c), Stats., as created by 2011 Wisconsin Act 5;
- 2) prescribes the methods by which the average employee count is computed for purposes of determining the amount of the deduction; and
- 3) clarifies how the deduction applies to partnerships, limited liability companies, tax-option corporations, and professional employer organizations.

The fiscal effect of the job creation deduction was included in the fiscal estimate for 2011 Act 5. As such, the proposed rule has no fiscal effect.

(continued on page two)

**Long-Range Fiscal Implications:**

Agency/Prepared by	Authorized Signature/Telephone No.	Date
Wisconsin Department of Revenue  /Michael Oakleaf 608-261-5173	Rebecca Boldt 608 266-6785	03/08/11

**FISCAL ESTIMATE WORKSHEET**

Detailed Estimate of Annual Fiscal Effect

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**Subject PROPOSED ORDER OF THE DEPARTMENT OF REVENUE CREATING RULES FOR INCOME TAX DEDUCTION FOR JOB CREATION**

**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 State funds from:	
A. State Costs by Category	Increased Costs	Decreased Costs
State Operations - Salaries and Fringe	\$	\$ -
(FTE Position Changes)	(    )	-
State Operations-Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
<b>TOTAL State Costs by Category</b>	\$	\$ -
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
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		-
<b>TOTAL State Revenues</b>	\$	\$ -

**NET ANNUALIZED FISCAL IMPACT**

STATE

LOCAL

NET CHANGE IN COSTS	\$ -	\$ 0
NET CHANGE IN REVENUES	\$ 0	\$ 0

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