

### Fiscal Estimate - 2023 Session

Original                     
  Updated                     
  Corrected                     
  Supplemental

LRB Number <b>23s0102/1</b>	Introduction Number <b>ASA1-AB0406</b>
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**Description**  
 adopting changes to the federal Internal Revenue Code for state tax purposes

**Fiscal Effect**

**State:**

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

**Local:**

<input type="checkbox"/> No Local Government Costs	<input type="checkbox"/> Indeterminate	<b>5. Types of Local Government Units Affected</b>	
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	<input type="checkbox"/> Towns	<input type="checkbox"/> Village <input type="checkbox"/> Cities
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Counties	<input type="checkbox"/> Others <u>0</u>
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	<input type="checkbox"/> School Districts	<input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		

<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/ Zach Petersen (608) 267-2428	<b>Authorized Signature</b> Michael Oakleaf (608) 261-5173	<b>Date</b> 9/27/2023
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Fiscal Estimate Narratives

DOR 9/27/2023

LRB Number	23s0102/1	Introduction Number	ASA1- AB0406	Estimate Type	Supplemental
<b>Description</b> adopting changes to the federal Internal Revenue Code for state tax purposes					

**Assumptions Used in Arriving at Fiscal Estimate**

The bill adopts updates made to the federal Internal Revenue Code (IRC) for Wisconsin tax purposes, including an exclusion for small business stock. The updates to the IRC that this bill adopts come from certain provisions in the following federal acts:

- The American Rescue Plan of 2021
- The Infrastructure Investment and Jobs Act
- The Consolidated Appropriations Act of 2022
- The Inflation Reduction Act of 2022
- The Consolidated Appropriations Act of 2023

**Fiscal Effect**

Using information provided by the federal Joint Committee on Taxation, the bill will decrease revenue by an estimated \$11.4 million in FY2024 and \$4.1 million in FY2025.

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2023 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
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<b>LRB Number</b> 23s0102/1		<b>Introduction Number</b> <b>ASA1-AB0406</b>	
<b>Description</b> adopting changes to the federal Internal Revenue Code for state tax purposes			
<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>	
DOR/ Zach Petersen (608) 267-2428		Michael Oakleaf (608) 261-5173	
		<b>Date</b>	
		9/27/2023	