

Recovery act helps offset decline for this year

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Economic Snapshot is a weekly feature provided by the



The Wisconsin Department of Revenue forecasts a 1 percent decline in total personal income in Wisconsin in 2009. That follows a 3.4 percent gain in 2008.

The decline was partially offset by the \$3 billion increase in transfer payments to Wisconsin through the American Recovery and Reinvestment Act (AARA).

DOR expects the economy to bottom during the second half of 2009 and start a slow recovery in 2010 when personal income is projected to increase by 2.7 percent.

Total personal disposable income (after-tax

Wisconsin Economic Outlook

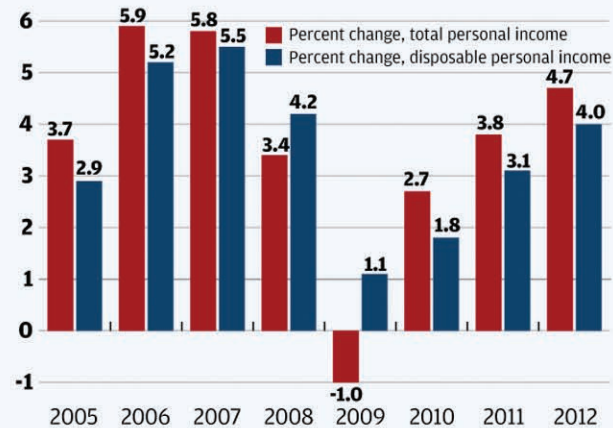
Week 3:
Personal income

income) provides a better measure of the income available to people for spending, saving and investing. Disposable income increased greater than personal income in 2008 as a result of the federal fiscal stimulus package. DOR forecasts a 1.1 percent increase in disposable income for

2009 primarily because of the expected \$4 billion decrease in personal tax payments as a consequence of AARA.

Data presented in the following table is included in DOR's Wisconsin Economic Outlook from June. It is available at: <http://www.revenue.wi.gov/ra/0906/0906.html>.

Personal income declines



Source: Wisconsin Economic Outlook, Wisconsin Department of Revenue

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