



State of Wisconsin
2023 - 2024 LEGISLATURE

LRB-3977/1
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2023 SENATE BILL 398

August 25, 2023 - Introduced by Senators HUTTON, NASS, HESSELBEIN and TAYLOR, cosponsored by Representatives STEFFEN, ARMSTRONG, ANDRACA, BALDEH, CABRERA, DONOVAN, GOEBEN, S. JOHNSON, MAGNAFICI, MAXEY, MELOTIK, MURPHY, NEDWESKI, O'CONNOR, OHNSTAD, ORTIZ-VELEZ, SCHMIDT, SINICKI, SUBECK, WICHGERS and WITKE. Referred to Committee on Universities and Revenue.

1 **AN ACT to create** 71.07 (11) and 71.10 (4) (cw) of the statutes; **relating to:** a tax
2 credit for transportation services for blind workers.

Analysis by the Legislative Reference Bureau

This bill creates a nonrefundable income tax credit for the costs of transportation services paid by a person considered blind for federal income tax purposes for certain transportation between the person's residence and place of employment. The transportation services eligible for the credit must be provided by mass transit, paratransit, taxicab, or a transportation network company. The credit is equal to 50 percent of the cost of those transportation services paid during a taxable year, and is limited to a maximum credit of \$1,500 per taxable year. A claimant may not claim a credit under the bill for amounts paid if funds from an ABLE account under section 529A of the Internal Revenue Code are used for the payment and the person who deposited those funds into the ABLE account claimed a state individual income tax subtraction for depositing the funds. Federal law allows individuals to establish ABLE accounts, which are tax-exempt savings accounts for paying for certain qualified expenses for a beneficiary with a disability, and current law authorizes a state individual income tax subtraction for certain amounts deposited into an ABLE account.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SENATE BILL 398

1 **SECTION 1.** 71.07 (11) of the statutes is created to read:

2 71.07 (11) **QUALIFYING TRANSPORTATION SERVICES CREDIT.** (a) *Definitions.* In this
3 subsection:

4 1. “Claimant” means a person who is considered blind under section 63 (f) (4)
5 of the Internal Revenue Code and who files a claim under this subsection.

6 2. “Qualifying transportation services” means transportation services provided
7 between a person’s place of residence and place of employment by means of mass
8 transit, paratransit, taxicab, or transportation network company, as defined in s.
9 440.40 (6).

10 (b) *Filing claims.* For taxable years beginning after December 31, 2022, and
11 subject to the limitations provided in this subsection, a claimant may claim as a
12 credit against the tax imposed under s. 71.02, up to the amount of those taxes, an
13 amount equal to 50 percent of the amount paid by the claimant during the taxable
14 year for qualifying transportation services.

15 (c) *Limitations.* 1. No credit may be allowed under this subsection for an
16 amount paid for qualifying transportation services if the source of the payment is an
17 amount withdrawn from an ABLE account described under section 529A (b) (1) of the
18 Internal Revenue Code and if the owner of the account or other person who deposited
19 into the account has claimed a subtraction under s. 71.05 (6) (b) 52. that relates to
20 such an amount.

21 2. No credit may be allowed under this subsection for an amount paid for
22 qualifying transportation services if the claimant is reimbursed for the amount paid.

23 3. The maximum amount of the credit that a claimant may claim under this
24 subsection in a taxable year is \$1,500.

