



## 1997 ASSEMBLY BILL 315

April 24, 1997 - Introduced by Representatives FREESE, GRONEMUS, HAHN, WIECKERT, SYKORA, HUEBSCH, HASENOHRL, KREIBICH, SPRINGER, MUSSER, SCHAFFER, DOBYNS, GARD, M. LEHMAN, AINSWORTH, POWERS, OWENS, OTTE, HOVEN, ZUKOWSKI, LADWIG, SKINDRUD, DUFF, GUNDERSON, LORGE, GROTHMAN, GOETSCH, OLSEN, WARD, HARSDFORF, ALBERS, OTT, JOHNSRUD, GREEN and LAZICH, cosponsored by Senators SCHULTZ, RUDE, CLAUSING, PANZER and BUETTNER. Referred to Joint survey committee on Tax Exemptions.

1     **AN ACT to create** 71.05 (6) (b) 25. of the statutes; **relating to:** excluding from  
2             income taxation certain gains derived from the transfer of business or farming  
3             assets to family members.

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### *Analysis by the Legislative Reference Bureau*

Under current law, there is an income tax exclusion for 60% of the capital gain from the sale of assets held at least one year and on all assets acquired from a decedent.

This bill allows an income tax exclusion for 100% of the capital gains, and other gains that are treated as capital gains, realized from the transfer of business or farming assets that are held for more than one year to a family member, to the extent that the capital gains and the other gains on such assets are not excluded from taxation under current law. The exclusion may be claimed only if the transfer is to a person such as a parent, grandparent, child, grandchild, great-grandchild, sibling, aunt, uncle, niece or nephew of the transferor.

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to the bill.

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

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

