



1999 SENATE BILL 49

February 18, 1999 - Introduced by Senators BRESKE, BAUMGART, DARLING, DRZEWIECKI, A. LASEE, ROESSLER and FARROW, cosponsored by Representatives KAUFERT, RYBA, SKINDRUD, TURNER, GRONEMUS, BOCK, PETTIS, F. LASEE, SYKORA, ZIEGELBAUER, HASENOHRL, WASSERMAN, MORRIS-TATUM, PLALE, WILLIAMS, LASSA, REYNOLDS, STASKUNAS, PETROWSKI, GUNDERSON and HUBER. Referred to Committee on Economic Development, Housing and Government Operations.

1 **AN ACT to amend** 71.03 (2) (a) 1. of the statutes; **relating to:** the individual
2 income tax filing threshold for certain married persons.

Analysis by the Legislative Reference Bureau

Under current law, most individuals who are domiciled in this state during the entire taxable year are required to file an income tax return, depending on their gross income, age and filing status. If a person's gross income is at or above a certain threshold amount, he or she is required to file an income tax return.

The different threshold amounts that necessitate filing a tax return under current law follow: \$5,200 if the individual is single and under 65 years old; \$5,700 if the individual is single and 65 years old or older; \$7,040 if the individual files as a head of household; \$7,200 if married and filing jointly, and both spouses are under 65 years old; \$7,700 if one spouse is at least 65 years old; \$8,200 if both spouses are at least 65 years old; and \$3,420 if married and filing separately.

This bill changes current law for married couples filing jointly, both spouses at least 65 years old, by adopting the threshold amount that exists under the Internal Revenue Code (IRC). The threshold amounts under the IRC are the sum of the personal exemption, standard deduction and additional standard deduction, if any. For filing a 1998 return, the threshold amount for a married couple filing jointly, both spouses at least 65 years old, is \$14,200.

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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:

1 **SECTION 1.** 71.03 (2) (a) 1. of the statutes is amended to read:

2 71.03 (2) (a) 1. Every ~~natural person~~ single individual domiciled in this state
3 during the entire taxable year having gross income of \$5,200 or more if under 65
4 years of age, or \$5,700 or more if 65 years of age or over, or \$7,040 or more if the
5 ~~natural person~~ individual files as a head of household, and every married person who
6 files jointly and is domiciled in this state during the entire taxable year having gross
7 income during the year when the joint gross income of the married person and his
8 or her spouse is \$7,200 or more if both are under 65 years of age; \$7,700 or more if
9 one spouse is under 65 years of age and the other spouse is 65 years of age or over;
10 or ~~\$8,200 or more~~ gross income that equals or exceeds the threshold amount
11 established under 26 USC 6012 (a) (1) (A) for such persons if both are 65 years of age
12 or over; and every married person who files separately and is domiciled in this state
13 during the entire taxable year and has gross income of \$3,420 or more. The
14 department of revenue shall annually adjust the dollar amounts of the filing
15 requirements so as to reflect changes in the standard deduction, the rates under s.
16 71.06 or the exemption under s. 71.07 (8) (a).

17 **SECTION 2. Initial applicability.**

18 (1) This act first applies to taxable years beginning on January 1 of the year
19 in which this subsection takes effect, except that if this subsection takes effect on or

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1 after August 1, this act first applies to taxable years beginning on January 1 of the
2 year following the year in which this subsection takes effect.

3 (END)