



2015 ASSEMBLY BILL 345

September 23, 2015 - Introduced by Representatives RIPP, BRANDTJEN, E. BROOKS, JARCHOW, KNODL, KOOYENGA, MURPHY, NEYLON and THIESFELDT, cosponsored by Senators MARKLEIN and STROEBEL. Referred to Committee on Ways and Means.

1 **AN ACT to amend** 71.05 (1) (b) of the statutes; **relating to:** sunsetting the
2 individual income tax deduction for expense allowances that may be claimed
3 by certain state legislators.

Analysis by the Legislative Reference Bureau

For state legislators who live 50 miles or fewer from the state capitol, this bill discontinues the individual income tax deduction that may be claimed by such legislators for amounts the legislators receive from the state for expenses incurred for food and lodging while in Madison on legislative business. The bill federalizes Wisconsin's treatment of per diem and has no effect on legislators who live more than 50 miles from the state capitol.

The reimbursable amount commonly known as a per diem may be claimed in an amount of up to 90 percent of the per diem rate for travel for federal government business within the city of Madison, as established by the federal government. If a legislator does not establish a temporary residence at the state capital, he or she may claim one-half of the allowance that is otherwise allowed. Under the bill, for a legislator who lives 50 miles or fewer from the capitol, the tax deduction for a legislator's per diem may not be claimed for amounts received that relate to a taxable year beginning after December 31, 2015.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

