



State of Wisconsin
2021 - 2022 LEGISLATURE

LRB-0089/1
EKL:klm

2021 ASSEMBLY BILL 494

August 4, 2021 - Introduced by Representatives RIEMER, HEBL, BROSTOFF, S. RODRIGUEZ, DOYLE, CABRERA, NEUBAUER, BILLINGS, SPREITZER, SNODGRASS, CONLEY, OHNSTAD, BALDEH, SINICKI, SHANKLAND, ANDERSON, CONSIDINE, HONG, STUBBS, GOYKE, VINING, HESSELBEIN, MCGUIRE, SUBECK, HINTZ and BOWEN, cosponsored by Senators ROYS, JOHNSON, CARPENTER, LARSON, WIRCH, L. TAYLOR and AGARD. Referred to Committee on Ways and Means.

1 **AN ACT to amend** 71.07 (9e) (aj) (intro.); and **to create** 71.07 (9e) (ak) of the
2 statutes; **relating to:** increasing the earned income tax credit for families with
3 fewer than three children.

Analysis by the Legislative Reference Bureau

This bill increases the amount that an individual with fewer than three qualifying children may claim as the Wisconsin earned income tax credit.

Under current law, the Wisconsin EITC is equal to a percentage of the federal EITC. The percentage is 4 percent of the federal EITC if the claimant has one qualifying child, 11 percent if the claimant has two qualifying children, and 34 percent if the claimant has three or more qualifying children. The credit is refundable, which means that if the credit exceeds the claimant's tax liability, he or she will receive the difference as a refund check.

Under the bill, the percentage of the federal EITC that an eligible individual may claim for Wisconsin purposes is 34 percent, regardless of the number of qualifying children. The bill applies to taxable years beginning after 2020.

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:

