

**1999 DRAFTING REQUEST**

**Assembly Amendment (AA-ASA1-AB133)**

Received: **06/22/99**

Received By: **jkreye**

Wanted: **Soon**

Identical to LRB:

For: **Senate Democratic Caucus**

By/Representing: **Walter**

This file may be shown to any legislator: **NO**

Drafter: **jkreye**

May Contact:

Alt. Drafters:

Subject: **Tax - corp. inc. and fran.**

Extra Copies:

**Pre Topic:**

SDC:.....Walter - CN#3725,

**Topic:**

Limit tax deduction for corporate officers to 25 times the wages paid to lowest paid employe

**Instructions:**

See Attached

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 06/23/99	ygeller 06/23/99		_____			
/1			martykr 06/26/99	_____	lrb_docadmin 06/26/99		

FE Sent For:

<END>

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1?	jkreye	11/6/23 jly	km/24	Sh 6 km/26			

FE Sent For:

<END>

yes

2003/1

SDC

**Agency: General Fund Taxes - Individual and Corporate Income Taxes**

caucus number 1403

duplicate flag:  
duplicate with:

Other reference numbers:	LFB Sum #:
FM 1162	
bill number/amendment number:	
LRB draft #	LRB P-draft:

description: Allows taxpayers to exclude from taxable income amount paid by an employer for public transportation

**other notes**

drafting instructions: see above and specify provision would first apply to taxable years beginning on Jan 1 of the year in which the bill takes effect, except if the bill takes effect after July 31. Then it would apply to taxable years beginning Jan 1 of following year

more instructions:

caucus number 1724

duplicate flag:  
duplicate with:

Other reference numbers:	LFB Sum #:
bill number/amendment number: SB 9	
LRB draft #	LRB P-draft:

description: SB 9. Create an individual income tax subtract modification for any settlement amount or asset that is received by a taxpayer who was persecuted by Nazi Germany or any Axis regime during any period from 1933-45 or his or her heirs or beneficiaries.

**other notes**

drafting instructions: SB 9. See above.

more instructions:

caucus number 3725

duplicate flag:  
duplicate with:

Other reference numbers:	LFB Sum #:
bill number/amendment number:	
LRB draft #	LRB P-draft:

description: Deduction for wages and salaries paid to corporate officers and employees. Limit tax deduction for corporate employee to an amount of 25 times the wages paid to the lowest paid full time employee of that corporation.

**other notes**

drafting instructions: Would increase the state corporate income by \$6.5 million in 1999-00 and \$13 million in 2000-01. See above and attached.

more instructions:

Agency: **General Fund Taxes - Individual and Corporate Income Taxes**

Number of Amendments: 3

+

**General Fund Taxes-Corporate Income and Franchise Tax**  
New Proposal

Deduction for Wages and Salaries Paid to Corporate Officers and Employees

Limit the tax deduction for wages, salaries, commissions and bonuses paid to an employee or officer of a corporation to an amount equal to twenty-five (25) times the wages, salaries, commissions and bonuses paid to the corporation's lowest paid full time employee.

This proposal would increase the state corporate income and franchise tax revenues by and estimated \$6.5 million in 1999-00 and \$13.0 million in 2000-01.

*THAS A BOOK*

CN 3725

contact: Sarah Bridgeman



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRBb09317

JK:....

WFO - Fix  
request sheet  
m 6 22 99

Jlg

SDC:.....Walter - CN#3725, Limit tax deduction for corporate officers to 25 times the wages paid to lowest paid employee

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 1999 ASSEMBLY BILL 133

SOON

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 910, line 18: after that line insert:

3 "SECTION 1740s. 71.26 (3) (e) 1. of the statutes is amended to read:

4 71.26 (3) (e) 1. So that payments for wages, salaries, commissions and bonuses  
5 of employes and officers may be deducted only if the name, address and amount paid  
6 to each resident of this state to whom compensation of \$600 or more has been paid  
7 during the taxable year is reported or if the department of revenue is satisfied that  
8 failure to report has resulted in no revenue loss to this state. A deduction for wages,  
9 salaries, commissions and bonuses paid to an employe or officer shall not exceed an  
10 amount equal to the wages, salaries, commissions and bonuses paid to the

1 corporation's lowest paid full-time<sup>✓</sup> employe during the taxable year multiplied by  
2 25."

3 **2.** Page 1600, line 6: after that line insert:

4 *initial* *app* "(23<sup>d</sup>) WAGE DEDUCTIONS. The treatment of section 71.26 (3) (e) 1.<sup>✓</sup> of the statutes  
5 first applies to taxable years beginning on January 1 of the year in which this  
6 subsection takes effect except that if this subsection takes effect after July 31 the  
7 treatment of section 71.26 (3) (e) 1.<sup>✓</sup> of the statutes first applies to taxable years  
8 beginning on January 1 of the year following the year in which this subsection takes  
9 effect."

10

(END)



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRBb0931/1  
JK;jlg:km

SDC:.....Walter – CN#3725, Limit tax deduction for corporate officers to 25  
times the wages paid to lowest paid employe

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9 effect."

10 (END)