

1999 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB133)

Received: **06/22/99**

Received By: **shoveme**

Wanted: **As time permits**

Identical to LRB:

For: **Senate Democratic Caucus 6-2257**

By/Representing: **Walter**

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

Drafter: **shoveme**

May Contact:

Alt. Drafters:

Subject: **Tax - individual income**

Extra Copies:

Pre Topic:

SDC:.....Walter - Caucus # 1403,

Topic:

Income tax subtract modification; mass transit fringe benefit exclusion

Instructions:

See Attached. Same as 1999 LRB -1526

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>
/?	shoveme 06/23/99	jgeller 06/23/99		_____			
/1			martykr 06/25/99	_____	lrb_docadmin 06/26/99		
/2	shoveme 06/26/99	jgeller 06/26/99	jfrantze 06/27/99	_____	gretskl 06/27/99		
/3	shoveme 06/29/99	jgeller 06/29/99	martykr 06/29/99	_____	lrb_docadmin 06/29/99		

FE Sent For:

<END>

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13 MES 6/29/99
FE Sent For: *mb/99*

24
2m 29

<END>

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/?	shoveme 06/23/99	jgeller 06/23/99		_____			
/1	1/2 MFS 6/26/99	1/2 6/26/99 jg	martykr 06/25/99	_____	lrb_docadmin 06/26/99		

FE Sent For: *6/27* *SEND* *6/27*

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Assembly Amendment (AA-ASA1-AB133)

Received: 06/22/99

Received By: shoveme

Wanted: As time permits

Identical to LRB:

For: Senate Democratic Caucus 6-2257

By/Representing: Walter

This file may be shown to any legislator: NO

Drafter: shoveme

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Subject: Tax - individual income

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Instructions:

See Attached. Same as 1999 LRB -1526

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1?	shoveme						

11 MES 6/23/99

Handwritten notes: Jm by 25, 25 by Rm 25

FE Sent For:

<END>

61010

SDC

yes

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 other 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

DATE: June 18, 1999

RE: Senate Caucus Budget Motion Request #3
Exclusion for Mass Transit Fringe Benefits

This is a tax break for mass transit users. The fiscal impact is minimal, but the policy is sound.

See attached Motion #1162.

CN 1403



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb1010/1
MES.....

jlg *FMR*

SDC:.....Walter - Caucus # 1403, Income tax subtract modification; mass transit fringe benefit exclusion

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 1999 ASSEMBLY BILL 133

D-note

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

2 1. Page 836, line 7: after that line insert:

3

END



1999 BILL

1 **AN ACT to create** 71.05 (6) (b) 29. of the statutes; **relating to:** exempting from
2 income taxation certain employer-paid fringe benefits for mass transit
3 expenses.

Analysis by the Legislative Reference Bureau

This bill creates an individual income tax exemption for the cost of a public transportation pass provided by an employer to an employe, or for the money paid by an employer to an employe to purchase such a pass, if the value of the pass exceeds \$60 per month. Under current federal law, such passes, or funds to pay for such passes, provided to an employe that have a value of \$60 per month or less are exempt from the income tax.

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.

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

4 ↑ SECTION ^{1688h} 71.05 (6) (b) ³¹ 29. of the statutes is created to read:
5 71.05 (6) (b) ³¹ 29. An amount paid by an employer to an employe for the purchase
6 of a public transportation pass, token or fare card, or the value of such a pass, token

BILL

SECTION 1

1 or fare card provided by an employer to an employe, if the money provided for, or the
2 value of, the pass, token or fare card exceeds \$60 per month. "

SECTION 2. Initial applicability.

#. Page 1597,
init
app.

line 18: after that line insert:

" (1) This act first applies to taxable years beginning on January 1 of the year
7C The treatment of section 7.05(b)(b) 31. of the statutes

5 in which this subsection takes effect, except that if this subsection takes effect after
6 July 31 this act first applies to taxable years beginning on January 1 of the year
7 following the year in which this subsection takes effect. "

(END)

D-NOTE

Caucus request # 1838 is identical
to this request, caucus # 1403. Unless
I hear otherwise from the SDC, I
will not do request # 1838.

MES

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb1010/1dn
MESjlg:km

June 25, 1999

Caucus request #1838 is identical to this request, caucus #1403. Unless I hear otherwise from the SDC, I will not do request #1838.

Marc E. Shovers
Senior Legislative Attorney
Phone: (608) 266-0129
E-mail: Marc.Shovers@legis.state.wi.us



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb1010/Y

MES:jlg:K/A

RMK

SDC:.....Walter - Caucus # 1403, Income tax subtract modification; mass transit fringe benefit exclusion

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

CAUCUS AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 1999 ASSEMBLY BILL 133

Dr. Note

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

2 1. Page 836, line 7: after that line insert:

3 "SECTION 1688h. 71.05 (6) (b) 31. of the statutes is created to read:

4 71.05 (6) (b) 31. An amount paid by an employer to an employe for the purchase
5 of a public transportation pass, token or fare card, or the value of such a pass, token
6 or fare card provided by an employer to an employe, if the money provided for, or the
7 value of, the pass, token or fare card exceeds \$60 per month."

8 2. Page 1597, line 18: after that line insert:

1 “(7c) The treatment of section 71.05 (6) (b) 31. of the statutes first applies to
 2 taxable years beginning on January 1 of the year following the year in which this
 3 subsection takes effect.”.

(END)

~~XXXXXXXXXXXX~~
 Mass transit fringe benefit exclusion.
 CS →

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb1010/2dn
MES:jlg:km

(D)

June 25, 1999 3 new date

Caucus request #1838 is identical to this request, caucus #1403. Unless I hear otherwise from the SDC, I will not do request #1838.

This version of the amendment adds a title in the initial applicability section.

Marc E. Shovers
Senior Legislative Attorney
Phone: (608) 266-0129
E-mail: Marc.Shovers@legis.state.wi.us

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb1010/2dn
MES:jljgjf

June 27, 1999

Caucus request #1838 is identical to this request, caucus #1403. Unless I hear otherwise from the SDC, I will not do request #1838.

This version of the amendment adds a title in the initial applicability section.

Marc E. Shovers
Senior Legislative Attorney
Phone: (608) 266-0129
E-mail: Marc.Shovers@legis.state.wi.us

Shovers, Marc

From: Burnett, Douglas
Sent: Monday, June 28, 1999 9:45 AM
To: Doty, Kelsie
Cc: Shovers, Marc; Ashenfelter, Barry
Subject: RE: Comment on SDC #1403

Thank you Kelsie. Marc, please make that correction.

Doug Burnett
Office of Senate Majority Leader Chuck Chvala
608-266-9170

-----Original Message-----

From: Doty, Kelsie
Sent: Monday, June 28, 1999 9:34 AM
To: Burnett, Douglas
Cc: Shovers, Marc
Subject: Comment on SDC #1403

Doug - I have a comment regarding the draft for SDC #1403 (LFBb1010/2).

The draft would exclude the amount paid by an employer as a mass transit fringe benefit that exceeds \$60 per month. However, as part of the Internal Revenue Code update (LFB issue paper #116), the \$60 was increased to \$65 in 1999 and then to \$100 in 2002 (these amounts are also indexed for inflation). Rather than referring to "\$60" in the draft, I would specify that the subtraction should apply to any amount paid by an employer that exceeds the amount allowed under federal law.

Kelsie



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb1010/2
MBS:jlg:jf

D-Note

RMR

SDC:.....Walter - Caucus # 1403, Income tax subtract modification; mass transit fringe benefit exclusion

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 1999 ASSEMBLY BILL 133

the amount that may be excluded from federal gross income under section 132 (a) (5) of the Internal Revenue Code for a transit pass under section 132 (f) (1) (B) of the Internal Revenue Code

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

1
2 **1.** Page 836, line 7: after that line insert:

3 "**SECTION 1688h.** 71.05 (6) (b) 31. of the statutes is created to read:

4 71.05 (6) (b) 31. An amount paid by an employer to an employe for the purchase
5 of a public transportation pass, token or fare card, or the value of such a pass, token
6 or fare card provided by an employer to an employe, if the money provided for, or the
7 value of, the pass, token or fare card exceeds ~~the~~ per month."

8 **2.** Page 1597, line 18: after that line insert:

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb1010/3dn
MESjlgjf

June 27, 1999 } new date

Caucus request #1838 is identical to this request, caucus #1403. Unless I hear otherwise from the SDC, I will not do request #1838.

This version of the amendment adds a title in the initial applicability section.

Marc E. Shovers
Senior Legislative Attorney
Phone: (608) 266-0129
E-mail: Marc.Shovers@legis.state.wi.us

removes "§ 60" and includes cross-reference
to the Internal Revenue Code

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb1010/3dn
MES:jlq:km

June 29, 1999

Caucus request #1838 is identical to this request, caucus #1403. Unless I hear otherwise from the SDC, I will not do request #1838.

This version of the amendment removes "\$60" and includes cross-references to the Internal Revenue Code.

Marc E. Shovers
Senior Legislative Attorney
Phone: (608) 266-0129
E-mail: Marc.Shovers@legis.state.wi.us



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb1010/3
MES:jlg:km

SDC:.....Walter – Caucus # 1403, Income tax subtract modification; mass transit fringe benefit exclusion

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 1999 ASSEMBLY BILL 133

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

2 **1.** Page 836, line 7: after that line insert:

3 “**SECTION 1688h.** 71.05 (6) (b) 31. of the statutes is created to read:

4 71.05 (6) (b) 31. An amount paid by an employer to an employe for the purchase
5 of a public transportation pass, token or fare card, or the value of such a pass, token
6 or fare card provided by an employer to an employe, if the money provided for, or the
7 value of, the pass, token or fare card exceeds the amount that may be excluded from
8 federal gross income under section 132 (a) (5) of the Internal Revenue Code for a
9 transit pass under section 132 (f) (1) (B) of the Internal Revenue Code per month.”.

10 **2.** Page 1597, line 18: after that line insert:

