

**1999 DRAFTING REQUEST**

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

Received: 06/23/99

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.  
Tax Credits - miscellaneous

Extra Copies:

**Pre Topic:**

SDC:.....Walter - CN#3507,

**Topic:**

Tax credit for companies that sponsor a student to study abroad

**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 06/28/99	chanaman 06/29/99		_____			
/1			martykr 06/29/99	_____	lrb_docadmin 06/29/99		

FE Sent For:

<END>

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1?	jkreye	cm d 6/29 /s	dm 6/29	_____	_____	_____	_____

FE Sent For:

<END>

yes

SDC A113

**Agency: General Fund Taxes**

caucus number 3318

duplicate flag:

duplicate with:

Other reference numbers:

LFB Sum #:

bill number/amendment number:

LRB draft #

LRB P-draft:

description: Unconstitutional Taxation of Vended Products. Aid is to provide equitable sales tax treatment for certain food and beverage items sold through vending machines that are exempt when sold through a retail food store. Effective date 7/1/01 so no fiscal effect

**other notes**

drafting instructions: See above

more instructions:

caucus number 3507

duplicate flag:

duplicate with:

Other reference numbers: Paper 1235

LFB Sum #:

bill number/amendment number:

LRB draft #

LRB P-draft:

description: Provide tax credit of up to \$1,000 to companies who sponsor a student to study abroad. Qualifying companies must: provide at least \$3,000 toward student expenses; sponsor a full-time undergraduate student; sponsor WHEG eligible student

**other notes**

drafting instructions:

more instructions:

Number of Amendments: 2

Agency: **General Fund Taxes**

**Draft Request**

CN 3507

**Agency:** General Taxes

Fiscal Bureau Motion # 1235

Foreign Study Tax Credit

Provides a tax credit of up to \$1,000 to companies who sponsor a student to study abroad. To qualify, the companies must:

- provide at least \$3,000 toward eligible educational or travel expenses associated with study abroad, and
- sponsor a full-time post-secondary undergraduate students, and
- sponsor a student who is qualified to receive a Wisconsin Higher Education Grant (WHEG).

Cost: Negligible

Contact: Ron Shanovich, Legislative Fiscal Bureau

**[REDACTED]**

GENERAL FUND TAXES -- INDIVIDUAL AND CORPORATE INCOME AND FRANCHISE TAXES

Foreign Study Tax Credit

Motion:

Move to provide, for tax years beginning on or after January 1, 2000, a tax credit of \$1,000 under the individual and corporate income and franchise taxes for eligible expenses incurred by a business to sponsor an eligible student to attend a post-secondary educational institution in a foreign country. Include as eligible expenses transportation costs, room and board, books, tuition and other expenses related to attending school in a foreign country. Require a business to pay a minimum of \$3,000 of such expenses to claim the tax credit. Define an eligible student as a full-time undergraduate student enrolled in a Wisconsin public post-secondary institution who would be eligible for a grant under the Wisconsin Higher Education Grant (WHEG) program.

5,89,435

Provide the credit to corporations, sole proprietors, partners, tax-option corporation shareholders and limited liability company (LLC) members. Require a partnership, tax-option corporation or LLC to compute the amount of credit that each of its partners, shareholders or members may claim and provide that information to them. Authorize partners, members of limited liability companies and shareholders of tax-option corporations to claim the credit in proportion to their ownership interest. Provide that unused credit amounts could be carried forward up to 15 years to offset future tax liabilities.

Note:

Wisconsin provides its own corporate income tax credits for certain business expenditures. State corporate income tax credits include the manufacturing sales tax credit for fuel and electricity, research and research facilities credits, farmland preservation credit, farmland tax relief credit, community development finance credit and development zones credit. The state development zone tax credit can be claimed by eligible taxpayers that conduct business operations in development and enterprise development zones.

This motion would provide a \$1,000 state tax credit for certain expenses incurred by a corporation to sponsor an eligible student to attend school in a foreign country. The motion would have a minimal fiscal effect.

Motion #1235

Shibilski

BILLAMOTION

PREVAIL	FAIL	
	N	
Burke	Y	
Decker	Y	
Jauch	N	
Moore	N	
Shibilski	N	
Plachte	N	
Cowles	N	
Pantzer	Y	
Gard	Y	
Porter	Y	
Neujert	Y	
Albers	Y	
Dull	Y	
Ward	Y	
Hubel	N	
Riley	N	
AYES	7	
NOES	9	



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRBb11132

JK:.....

cmr

6-28-99

SDC:.....Walter - CN#3507, Tax credit for companies that sponsor a student to study abroad

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 834, line 19: delete “, (2dy) and (3s)” and substitute “and, (2dy), (3s)  
3 and (5d)”.

4 2. Page 849, line 17: after that line insert:

5 “SECTION 1712d. 71.07 (5d) of the statutes is created to read:

6 71.07 (5d) STUDY ABROAD CREDIT. (a) In this subsection:

7 1. “Claimant” means a sole proprietor, a partner, a member of a limited liability  
8 company or a shareholder of a tax-option corporation who files a claim under this  
9 subsection.

1           2. "Qualified expenses" means expenses related to attending school in a foreign  
2 country and includes transportation costs, room and board, books and tuition.

3           (b) A claimant may claim as a credit against the tax imposed under s. 71.02 an  
4 amount equal to \$1,000 if all of the following apply:

5           1. The claimant pays or incurs at least \$3,000 in qualified expenses on behalf  
6 of a student who attends school in a foreign country.

7           2. The student under subd. 1. is a full-time undergraduate student enrolled at  
8 <sup>in the</sup> University of Wisconsin system ~~institution~~.

9           3. The student under subd. 1. is eligible for a Wisconsin higher education grant  
10 under s. 39.435.

11           (c) A claimant may not claim the credit under par. (b) for any tuition amounts  
12 that the claimant excluded under s. 71.05 (6) (b) 28. or under section 127 of the  
13 Internal Revenue Code.

14           (d) The carry-over provisions of s. 71.28 (4) (e) and (f), as they apply to the credit  
15 under s. 71.28 (4), apply to the credit under this subsection.

16           (e) Partnerships, limited liability companies and tax-option corporations may  
17 not claim the credit under this subsection, but the eligibility for, and the amount of,  
18 the credit are based on their payment of qualified expenses under par. (b) 1. A  
19 partnership, limited liability company or tax-option corporation shall compute the  
20 amount of credit that each of its partners, members or shareholders may claim and  
21 shall provide that information to each of them. Partners, members of limited liability  
22 companies and shareholders of tax-option corporations may claim the credit in  
23 proportion to their ownership interest.

24           (f) Section 71.28 (4) (g) and (h), as it applies to the credit under s. 71.28 (4),  
25 applies to the credit under this subsection."

1           **3.** Page 851, line 1: after “(3s),” insert “(5d).”

2           **4.** Page 851, line 2: delete the material beginning with “(2m)” and ending with  
 3 “(2m) and (3)” on line 3 and substitute “(2m) and (3) and (5d) and 71.47 (1dd), (1de),  
 4 (1di), (1dj), (1dL), (1ds), (1dx), (1dy), (1fd), (2m) and (3) and (5d) ~~and~~”.

5           **5.** Page 851, line 9: after that line insert:

6           “SECTION 1719n. 71.10 (4) (i) of the statutes is amended to read:

7           71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland  
 8 preservation credit under subch. IX, homestead credit under subch. VIII, farmland  
 9 tax relief credit under s. 71.07 (3m), farmers’ drought property tax credit under s.  
 10 71.07 (2fd), study abroad credit under s. 71.07 (5d), earned income tax credit under  
 11 s. 71.07 (9e), estimated tax payments under s. 71.09, and taxes withheld under  
 12 subch. X.”.

13           **6.** Page 853, line 21: delete “and (3s)” and substitute “and (3s) and (5d)”.

14           **7.** Page 889, line 11: delete “and (1dy)” and substitute “(1dy) and (5d)”.

15           **8.** Page 914, line 4: after that line insert:

16           “SECTION 1746m. 71.28 (5d) of the statutes is created to read:

17           71.28 (5d) STUDY ABROAD CREDIT. (a) In this subsection:

18           1. “Claimant” means a corporation that files a claim under this subsection.

19           2. “Qualified expenses” means expenses related to attending school in a foreign  
 20 country and includes transportation costs, room and board, books and tuition.

21           (b) A claimant may claim as a credit against the tax imposed under s. 71.23 an  
 22 amount equal to \$1,000 if all of the following apply:

23           1. The claimant pays or incurs at least \$3,000 in qualified expenses on behalf  
 24 of a student who attends school in a foreign country.



1 2. The student under subd. 1. is a full-time undergraduate student enrolled ~~in~~

2 <sup>in the</sup> University of Wisconsin system ~~institution~~.

3 3. The student under subd. 1. is eligible for a Wisconsin higher education grant  
4 under s. 39.435.

5 (c) A claimant may not claim the credit under par. (b) for any tuition amounts  
6 that the claimant excluded under s. 71.05 (6) (b) 28. or under section 127 of the  
7 Internal Revenue Code.

8 (d) The carry-over provisions of sub. (4) (e) and (f), as they apply to the credit  
9 under sub. (4), apply to the credit under this subsection.

10 (e) Partnerships, limited liability companies and tax-option corporations may  
11 not claim the credit under this subsection, but the eligibility for, and the amount of,  
12 the credit are based on their payment of qualified expenses under par. (b) 1. A  
13 partnership, limited liability company or tax-option corporation shall compute the  
14 amount of credit that each of its partners, members or shareholders may claim and  
15 shall provide that information to each of them. Partners, members of limited liability  
16 companies and shareholders of tax-option corporations may claim the credit in  
17 proportion to their ownership interest.

18 (d) Subsection (4) (g) and (h), as it applies to the credit under sub. (4), applies  
19 to the credit under this subsection.”.

20 9. Page 914, line 6: after that line insert:

21 “SECTION 1747n. 71.30 (3) (f) of the statutes is amended to read:

22 71.30 (3) (f) The total of farmers' drought property tax credit under s. 71.28  
23 (1fd), farmland preservation credit under subch. IX, farmland tax relief credit under

1 s. 71.28 (2m), study abroad credit under s. 71.28 (5d) and estimated tax payments  
2 under s. 71.29.”

3 **10.** Page 917, line 5: delete “, (1dy) and (3)” and substitute “and, (1dy), (3) and  
4 (5d)”.

5 **11.** Page 938, line 5: after “(1dy)” insert “and (5d)”.

6 **12.** Page 944, line 19: after that line insert:

7 “SECTION 175.47 (5d) of the statutes is created to read:  
*B of 95 ← letter “S”*

8 71.47 (5d) STUDY ABROAD CREDIT. (a) In this subsection:

9 1. “Claimant” means a corporation that files a claim under this subsection.

10 2. “Qualified expenses” means expenses related to attending school in a foreign  
11 country and includes transportation costs, room and board, books and tuition.

12 (b) A claimant may claim as a credit against the tax imposed under s. 71.43 an  
13 amount equal to \$1,000 if all of the following apply:

14 1. The claimant pays or incurs at least \$3,000 in qualified expenses on behalf  
15 of a student who attends school in a foreign country.

16 2. The student under subd 1. is a full-time undergraduate student enrolled ~~at~~  
17 *in the* a University of Wisconsin system institution.

18 3. The student under subd. 1. is eligible for a Wisconsin higher education grant  
19 under s. 39.435.

20 (c) A claimant may not claim the credit under par. (b) for any tuition amounts  
21 that the claimant excluded under s. 71.05 (6) (b) 28. or under section 127 of the  
22 Internal Revenue Code.

23 (d) The carry-over provisions of s. 71.28 (4) (e) and (f), as they apply to the credit  
24 under s. 71.28 (4), apply to the credit under this subsection.

1 (e) Partnerships, limited liability companies and tax-option corporations may  
2 not claim the credit under this subsection, but the eligibility for, and the amount of,  
3 the credit are based on their payment of qualified expenses under par. (b) 1. A  
4 partnership, limited liability company or tax-option corporation shall compute the  
5 amount of credit that each of its partners, members or shareholders may claim and  
6 shall provide that information to each of them. Partners, members of limited liability  
7 companies and shareholders of tax-option corporations may claim the credit in  
8 proportion to their ownership interest.

9 (d) Section 71.28 (4) (g) and (h), as it applies to the credit under s. 71.28 (4),  
10 applies to the credit under this subsection.”

11 **13.** Page 944, line 21: after that line insert:

12 “SECTION 1760s. 71.49 (1) (f) of the statutes is amended to read:

13 71.49 (1) (f) The total of farmers’ drought property tax credit under s. 71.47  
14 (1fd), farmland preservation credit under subch. IX, farmland tax relief credit under  
15 s. 71.47 (2m), the study abroad credit under s. 71.47 (5d) and estimated tax payments  
16 under s. 71.48.”

17 **14.** Page 956, line 3: after that line insert:

18 “SECTION 1817b. 77.92 (4) of the statutes is amended to read:

19 77.92 (4) “Net business income”, with respect to a partnership, means taxable  
20 income as calculated under section 703 of the internal revenue code; plus the items  
21 of income and gain under section 702 of the internal revenue code; minus the items  
22 of loss and deduction under section 702 of the internal revenue code; plus payments  
23 treated as not made to partners under section 707 (a) of the internal revenue code;  
24 plus the credits claimed under s. 71.07 (2dd), (2de), (2di), (2dj), (2dL), (2dr), (2ds),

1 (2dx) and, (3s) and (5d); but excluding income, gain, loss and deductions from  
2 farming. "Net business income", with respect to a natural person, estate or trust,  
3 means profit from a trade or business for federal income tax purposes and includes  
4 net income derived as an employe as defined in section 3121 (d) (3) of the internal  
5 revenue code."

6 **15.** Page 1599, line 17: after that line insert:

7 "(22e) STUDY ABROAD TAX CREDIT. The treatment of sections 71.05 (6) (a) 15.,  
8 71.07 (5d), 71.08 (1) (intro.), 71.10 (4) (i), 71.21 (4), 71.26 (2) (a), 71.28 (5d), 71.30 (3)  
9 (f), 71.34 (1) (g), 71.45 (2) (a) 10., 71.47 (5d), 71.49 (1) (f) and 77.92 (4) of the statutes  
10 first applies to taxable years beginning on January 1, 2000."

11

(END)

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

LRBb1113/?dn

JK:.....

*cmj*

1. Please review this draft to ensure that it complies with your intent. The instructions indicate that the credit applies only if the student is enrolled in a public institution in this state. Because the University of Wisconsin system institutions are the only public institutions in the state, the amendment refers to only to UW system institutions. Is that O.K.?

Joseph T. Kreye  
Legislative Attorney  
Phone: (608) 266-2263  
E-mail: Joseph.Kreye@legis.state.wi.us

2. Under the amendment, a claimant cannot claim the same expenses under the amendment and under section 71.05(6)(b) 28. of the statute, which allows a tax deduction for tuition paid by a claimant's child or on behalf of a claimant's child. Is this consistent with your intent?

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

LRBb1113/1dn  
JK:cmh:km

June 29, 1999

Please review this draft to ensure that it complies with your intent. The instructions indicate that the credit applies only if the student is enrolled in a public institution in this state. Because the University of Wisconsin System institutions are the only public institutions in the state, the amendment refers to only to UW System institutions. Is that OK?

Under the amendment, a claimant cannot claim the same expenses under the amendment and under section 71.05 (6) (b) 28. of the statutes, which allows a tax deduction for tuition paid on behalf of a claimant's child. Is this consistent with your intent?

Joseph T. Kreye  
Legislative Attorney  
Phone: (608) 266-2263  
E-mail: Joseph.Kreye@legis.state.wi.us



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRBb1113/1  
JK:cmh:km

SDC:.....Walter - CN#3507, Tax credit for companies that sponsor a student to study abroad

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 834, line 19: delete “(2dy) and (3s)” and substitute “and, (2dy), (3s)  
3 and (5d)”.

4 **2.** Page 849, line 17: after that line insert:

5 “**SECTION 1712d.** 71.07 (5d) of the statutes is created to read:

6 71.07 (5d) STUDY ABROAD CREDIT. (a) In this subsection:

7 1. “Claimant” means a sole proprietor, a partner, a member of a limited liability  
8 company or a shareholder of a tax-option corporation who files a claim under this  
9 subsection.

1           2. “Qualified expenses” means expenses related to attending school in a foreign  
2 country and includes transportation costs, room and board, books and tuition.

3           (b) A claimant may claim as a credit against the tax imposed under s. 71.02 an  
4 amount equal to \$1,000 if all of the following apply:

5           1. The claimant pays or incurs at least \$3,000 in qualified expenses on behalf  
6 of a student who attends school in a foreign country.

7           2. The student under subd. 1. is a full-time undergraduate student enrolled in  
8 the University of Wisconsin System.

9           3. The student under subd. 1. is eligible for a Wisconsin higher education grant  
10 under s. 39.435.

11           (c) A claimant may not claim the credit under par. (b) for any tuition amounts  
12 that the claimant excluded under s. 71.05 (6) (b) 28. or under section 127 of the  
13 Internal Revenue Code.

14           (d) The carry-over provisions of s. 71.28 (4) (e) and (f), as they apply to the credit  
15 under s. 71.28 (4), apply to the credit under this subsection.

16           (e) Partnerships, limited liability companies and tax-option corporations may  
17 not claim the credit under this subsection, but the eligibility for, and the amount of,  
18 the credit are based on their payment of qualified expenses under par. (b) 1. A  
19 partnership, limited liability company or tax-option corporation shall compute the  
20 amount of credit that each of its partners, members or shareholders may claim and  
21 shall provide that information to each of them. Partners, members of limited liability  
22 companies and shareholders of tax-option corporations may claim the credit in  
23 proportion to their ownership interest.

24           (f) Section 71.28 (4) (g) and (h), as it applies to the credit under s. 71.28 (4),  
25 applies to the credit under this subsection.”



1           **3.** Page 851, line 1: after “(3s),” insert “(5d).”

2           **4.** Page 851, line 2: delete the material beginning with “(2m)” and ending with  
3 “(2m) and (3)” on line 3 and substitute “(2m) ~~and~~, (3) and (5d) and 71.47 (1dd), (1de),  
4 (1di), (1dj), (1dL), (1ds), (1dx), (1dy), (1fd), (2m) ~~and~~, (3) and (5d)”.

5           **5.** Page 851, line 9: after that line insert:

6           “**SECTION 1719n.** 71.10 (4) (i) of the statutes is amended to read:

7           71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland  
8 preservation credit under subch. IX, homestead credit under subch. VIII, farmland  
9 tax relief credit under s. 71.07 (3m), farmers’ drought property tax credit under s.  
10 71.07 (2fd), study abroad credit under s. 71.07 (5d), earned income tax credit under  
11 s. 71.07 (9e), estimated tax payments under s. 71.09, and taxes withheld under  
12 subch. X.”

13           **6.** Page 853, line 21: delete “and (3s)” and substitute “~~and~~, (3s) and (5d)”.

14           **7.** Page 889, line 11: delete “and (1dy)” and substitute “, (1dy) and (5d)”.

15           **8.** Page 914, line 4: after that line insert:

16           “**SECTION 1746m.** 71.28 (5d) of the statutes is created to read:

17           71.28 (5d) STUDY ABROAD CREDIT. (a) In this subsection:

18           1. “Claimant” means a corporation that files a claim under this subsection.

19           2. “Qualified expenses” means expenses related to attending school in a foreign  
20 country and includes transportation costs, room and board, books and tuition.

21           (b) A claimant may claim as a credit against the tax imposed under s. 71.23 an  
22 amount equal to \$1,000 if all of the following apply:

23           1. The claimant pays or incurs at least \$3,000 in qualified expenses on behalf  
24 of a student who attends school in a foreign country.

1           2. The student under subd. 1. is a full-time undergraduate student enrolled in  
2 the University of Wisconsin System.

3           3. The student under subd. 1. is eligible for a Wisconsin higher education grant  
4 under s. 39.435.

5           (c) A claimant may not claim the credit under par. (b) for any tuition amounts  
6 that the claimant excluded under s. 71.05 (6) (b) 28. or under section 127 of the  
7 Internal Revenue Code.

8           (d) The carry-over provisions of sub. (4) (e) and (f), as they apply to the credit  
9 under sub. (4), apply to the credit under this subsection.

10          (e) Partnerships, limited liability companies and tax-option corporations may  
11 not claim the credit under this subsection, but the eligibility for, and the amount of,  
12 the credit are based on their payment of qualified expenses under par. (b) 1. A  
13 partnership, limited liability company or tax-option corporation shall compute the  
14 amount of credit that each of its partners, members or shareholders may claim and  
15 shall provide that information to each of them. Partners, members of limited liability  
16 companies and shareholders of tax-option corporations may claim the credit in  
17 proportion to their ownership interest.

18          (f) Subsection (4) (g) and (h), as it applies to the credit under sub. (4), applies  
19 to the credit under this subsection.”.

20          **9.** Page 914, line 6: after that line insert:

21          “**SECTION 1747n.** 71.30 (3) (f) of the statutes is amended to read:

22          71.30 (3) (f) The total of farmers’ drought property tax credit under s. 71.28  
23 (1fd), farmland preservation credit under subch. IX, farmland tax relief credit under

1 s. 71.28 (2m), study abroad credit under s. 71.28 (5d) and estimated tax payments  
2 under s. 71.29.”.

3 **10.** Page 917, line 5: delete “,(1dy) and (3)” and substitute “and, (1dy), (3) and  
4 (5d)”.

5 **11.** Page 938, line 5: after “(1dy)” insert “and (5d)”.

6 **12.** Page 944, line 19: after that line insert:

7 “**SECTION 1759s.** 71.47 (5d) of the statutes is created to read:

8 71.47 (5d) STUDY ABROAD CREDIT. (a) In this subsection:

9 1. “Claimant” means a corporation that files a claim under this subsection.

10 2. “Qualified expenses” means expenses related to attending school in a foreign  
11 country and includes transportation costs, room and board, books and tuition.

12 (b) A claimant may claim as a credit against the tax imposed under s. 71.43 an  
13 amount equal to \$1,000 if all of the following apply:

14 1. The claimant pays or incurs at least \$3,000 in qualified expenses on behalf  
15 of a student who attends school in a foreign country.

16 2. The student under subd 1. is a full-time undergraduate student enrolled in  
17 the University of Wisconsin System.

18 3. The student under subd. 1. is eligible for a Wisconsin higher education grant  
19 under s. 39.435.

20 (c) A claimant may not claim the credit under par. (b) for any tuition amounts  
21 that the claimant excluded under s. 71.05 (6) (b) 28. or under section 127 of the  
22 Internal Revenue Code.

23 (d) The carry-over provisions of s. 71.28 (4) (e) and (f), as they apply to the credit  
24 under s. 71.28 (4), apply to the credit under this subsection.

1 (e) Partnerships, limited liability companies and tax-option corporations may  
2 not claim the credit under this subsection, but the eligibility for, and the amount of,  
3 the credit are based on their payment of qualified expenses under par. (b) 1. A  
4 partnership, limited liability company or tax-option corporation shall compute the  
5 amount of credit that each of its partners, members or shareholders may claim and  
6 shall provide that information to each of them. Partners, members of limited liability  
7 companies and shareholders of tax-option corporations may claim the credit in  
8 proportion to their ownership interest.

9 (f) Section 71.28 (4) (g) and (h), as it applies to the credit under s. 71.28 (4),  
10 applies to the credit under this subsection.”

11 **13.** Page 944, line 21: after that line insert:

12 “**SECTION 1760s.** 71.49 (1) (f) of the statutes is amended to read:

13 71.49 (1) (f) The total of farmers’ drought property tax credit under s. 71.47  
14 (1fd), farmland preservation credit under subch. IX, farmland tax relief credit under  
15 s. 71.47 (2m), the study abroad credit under s. 71.47 (5d) and estimated tax payments  
16 under s. 71.48.”

17 **14.** Page 956, line 3: after that line insert:

18 “**SECTION 1817b.** 77.92 (4) of the statutes is amended to read:

19 77.92 (4) “Net business income”, with respect to a partnership, means taxable  
20 income as calculated under section 703 of the internal revenue code; plus the items  
21 of income and gain under section 702 of the internal revenue code; minus the items  
22 of loss and deduction under section 702 of the internal revenue code; plus payments  
23 treated as not made to partners under section 707 (a) of the internal revenue code;  
24 plus the credits claimed under s. 71.07 (2dd), (2de), (2di), (2dj), (2dL), (2dr), (2ds),

1 (2dx) ~~and~~, (3s) and (5d); but excluding income, gain, loss and deductions from  
2 farming. "Net business income", with respect to a natural person, estate or trust,  
3 means profit from a trade or business for federal income tax purposes and includes  
4 net income derived as an employe as defined in section 3121 (d) (3) of the internal  
5 revenue code."

6 **15.** Page 1599, line 17: after that line insert:

7 "(22e) STUDY ABROAD TAX CREDIT. The treatment of sections 71.05 (6) (a) 15.,  
8 71.07 (5d), 71.08 (1) (intro.), 71.10 (4) (i), 71.21 (4), 71.26 (2) (a), 71.28 (5d), 71.30 (3)  
9 (f), 71.34 (1) (g), 71.45 (2) (a) 10., 71.47 (5d), 71.49 (1) (f) and 77.92 (4) of the statutes  
10 first applies to taxable years beginning on January 1, 2000."

11

(END)