

**1999 DRAFTING REQUEST**

**Senate Amendment (SA-SSA1-AB133)**

Received: **06/29/99**

Received By: **shoveme**

Wanted: **As time permits**

Identical to LRB:

For: **Senate Republican Caucus 6-0718**

By/Representing: **Skewes**

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

Drafter: **shoveme**

May Contact:

Alt. Drafters:

Subject: **Tax - individual income  
Tax Credits - miscellaneous**

Extra Copies:

**Pre Topic:**

No specific pre topic given

**Topic:**

Individual income tax credit for higher education expenses

**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>
/1	shoveme 06/30/99	gilfokm 06/30/99	kfollet 06/30/99	_____	lrb_docadmin 06/30/99	lrb_docadmin 06/30/99	

FE Sent For:

<END>

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/1	shoveme	6/30 KMG	KJF 6/30	ch/wlj 6/30			

11 MES 6/30/99

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## Possible Amendment From SRSC

SRSC #4

RE: \$1500 Tax Credit for Higher Education

This motion would create a new income tax credit for up to \$1500 of the higher education expenses for individual students and/or parents of dependent children.

The provision would apply to those attending either private or public, accredited post secondary educational institutions. This would include 2 and 4 year colleges, technical schools and accredited professional training courses.

*nonrefundable  
no income limit*

*Bob Seitz  
6-0480*



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRBb1546/1

MES... King

SENATE AMENDMENT ,  
TO SENATE SUBSTITUTE AMENDMENT 1,  
TO 1999 ASSEMBLY BILL 133

Now

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

2 1. Page 850, line 3: after that line insert:

3 "SECTION 1715m. 71.07 (7s) of the statutes is created to read:

4 71.07 (7s) EDUCATIONAL EXPENSES CREDIT. (a) *Definitions*. In this subsection:

5 1. "Claimant" means an individual who is a pupil, or an individual who claims  
6 a pupil as a dependent under section 151 (c) of the Internal Revenue Code, on his or  
7 her tax return.

8 2. "Educational expenses" means tuition, books, room and board and  
9 educational supplies that are directly related to a pupil's attendance at an eligible  
10 educational institution.

11 3. "Eligible institution" means a public or private post<sup>2</sup>secondary educational  
12 institution that is accredited by the North Central Association of Colleges and

1)

1 Schools, the Independent Schools Association of the Central States or the Wisconsin  
2 Nonpublic School Accrediting Association, a technical school in this state or  
3 accredited professional training courses.

4 4. "Pupil" means an individual who is enrolled in an eligible institution.

5 (b) *Filing claims.* Subject to the limitations provided in this subsection, a  
6 claimant may claim as a credit against the tax imposed under s. 71.02, up to the  
7 amount of those taxes up to \$1,500 that are paid by a claimant for educational  
8 expenses in the year to which the claim relates.

9 (c) *Limitations.* 1. No credit may be allowed under this subsection unless it  
10 is claimed within the time period under s. 71.75 (2).

11 2. For a claimant who is a nonresident or part-year resident of this state and  
12 who is a single person or a married person filing a separate return, multiply the  
13 credit for which the claimant is eligible under par. (b) by a fraction the numerator of  
14 which is the individual's Wisconsin adjusted gross income and the denominator of  
15 which is the individual's federal adjusted gross income. If a claimant is married and  
16 files a joint return, and if the claimant or the claimant's spouse, or both, are  
17 nonresidents or part-year residents of this state, multiply the credit for which the  
18 claimant is eligible under par. (b) by a fraction the numerator of which is the couple's  
19 joint Wisconsin adjusted gross income and the denominator of which is the couple's  
20 joint federal adjusted gross income.

21 (d) *Administration.* Subsection (9e)(d), to the extent that it applies to the credit  
22 under that subsection, applies to the credit under this subsection."

23 ✓ 2. Page 851, line 2: after "(6)" insert "(7s)".

24 3. Page 851, line 7: after that line insert:

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"SECTION 1719h. 71.10 (4) (cm) of the statutes is created to read:

71.10 (4) (cm) The educational expenses credit under s. 71.07 (7s)." ✓

4. Page 1597, line 13: after that line insert:

*init. app.*  
"(6) <sup>fw</sup> EDUCATIONAL EXPENSES CREDIT. The treatment of sections 71.07 (7s), 71.08 (1) (intro.) (as it relates to the educational expenses credit) and 71.10 (4) (cm) of the statutes first applies to taxable years beginning on January 1 of the year in which this subsection takes effect, except that if this subsection takes effect after July 31, the treatment of sections 71.07 (7s), 71.08 (1) (intro.) (as it relates to the educational expenses credit) and 71.10 (4) (cm) of the statutes first applies to taxable years beginning on January 1 of the year following the year in which this subsection takes effect."

(END)