

2001 DRAFTING REQUEST**Assembly Amendment (AA-ASA1-SB55)**Received: **06/21/2001**Received By: **shoveme**Wanted: **As time permits**

Identical to LRB:

For: **Spencer Black (608) 266-7521**By/Representing: **Susan McMurray**This file may be shown to any legislator: **NO**Drafter: **shoveme**

May Contact:

Addl. Drafters:

Subject: **Tax - individual income**

Extra Copies:

Submit via email: **YES**Requester's email: **Rep.Black@legis.state.wi.us**

Pre Topic:

No specific pre topic given

Topic:

CN61: Create new individual income tax brackets and rates.

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> |
|--------------|-----------------------|---------------------|------------------------|----------------|----------------------------|----------------------------|-----------------|
| /? | shoveme 06/28/2001 | jdyer 06/28/2001 | | _____ | | | |
| /1 | | | pgreensl 06/29/2001 | _____ | lrb_docadmin 06/29/2001 | lrb_docadmin 06/29/2001 | |

2001 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB144)

Handwritten notes: "SB 55" with an arrow pointing to "Fix" circled in a heart shape.

Received: 06/21/2001

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Wanted: As time permits

Identical to LRB:

For: Spencer Black (608) 266-7521

By/Representing: Susan McMurray

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Subject: Tax - individual income

Extra Copies:

Submit via email: YES

Requester's email: Rep.Black@legis.state.wi.us

Pre Topic:

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Topic:

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Instructions:

See Attached

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|--------------|----------------|-----------------|--------------|----------------|------------------|-----------------|----------------|
| 17 | shoveme | 1 6/28 JL | 6/29 PG | 6/29 muleb | | | |

FE Sent For:

Handwritten: 11 MES 6/28/01

Handwritten initials and dates: 6/29 PG, 6/29 muleb

<END>

Assembly Democrat Budget Amendment Requests

Request Number: 61
(not LRB number)

Agency: DOR

6/28/01
per Susan
McMurray

Description: Create new income tax brackets and rates:

\$0-7,790 4.73%
\$7,790-50,000 6%
\$50,000- 100,000 6.33 %
\$100,000- 200,000 6.55%
over 200,000 6.75 %

married-joint
0-13,000
13,000-60,000
60,000-120,000
120,000-240,000
over 240,000

married-sep
0-6,500
6,500-39,000
30-60K
60-120K
↑ 120K

Attachments:

Cost (if known):

Contact person: Susan McMurray, 266-7521, Representative Black's Office

MES

6/4/01

2001

Date (time) needed _____

LRB b 1448 1/1

**ADC CAUCUS BUDGET AMENDMENT
[ONLY FOR CAUCUS]**

MES: jld: (PM/RA)

See form **AMENDMENTS — COMPONENTS & ITEMS.**

LPS-
Fix request
sheet

**CAUCUS AMENDMENT
TO ASSEMBLY SUBSTITUTE AMENDMENT 1
TO 2001 SENATE BILL 55**

>>FOR CAUCUS SUPERAMENDMENT — NOT FOR INTRODUCTION<<

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

~~#. Page , line :~~



~~#. Page , line :~~

~~#. Page , line :~~

~~#. Page , line :~~

~~#. Page , line :~~

~~#. Page , line :~~

**SENATE AMENDMENT ,
TO SENATE SUBSTITUTE AMENDMENT 1,
TO 2001 SENATE BILL 55**

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

2 **1.** Page 729, line 19: after that line insert:

3 **"SECTION 2144m.** 71.06 (1p)^(intro.) of the statutes is amended to read:

4 **71.06 (1p)**^(intro.) FIDUCIARIES, SINGLE INDIVIDUALS, AND HEADS OF HOUSEHOLDS; AFTER

5 ~~2000-2001.~~ The tax to be assessed, levied and collected upon the taxable incomes of all
6 fiduciaries, except fiduciaries of nuclear decommissioning trust or reserve funds, and
7 single individuals and heads of households shall be computed at the following rates
8 for taxable years beginning after December 31, 2000, and before January 1, 2002:

- 9 (a) On all taxable income from \$0 to \$7,500, ~~4.6%~~ ^{4.508%}. plain
- 10 (b) On all taxable income exceeding \$7,500 but not exceeding \$15,000, ~~6.15%~~

11 ~~6.027%~~

plain

(c) On all taxable income exceeding \$15,000 but not exceeding \$112,500, 6.5%

~~6.37%~~

(d) On all taxable income exceeding \$112,500, 6.75% ~~6.615%~~

SECTION 2144n. 71.06 (1q) of the statutes is created to read:

71.06 (1q) FIDUCIARIES, SINGLE INDIVIDUALS, AND HEADS OF HOUSEHOLDS; AFTER 2001. The tax to be assessed, levied, and collected upon the taxable incomes of all fiduciaries, except fiduciaries of nuclear decommissioning trust or reserve funds, and single individuals and heads of households shall be computed at the following rates for taxable years beginning after December 31, 2001:

(a) On all taxable income from \$0 to \$7,790, 4.73%

(b) On all taxable income exceeding \$7,790 but not exceeding \$50,000, 6.0%

(c) On all taxable income exceeding \$50,000 but not exceeding \$100,000, 6.33%

(d) On all taxable income exceeding \$100,000 but not exceeding \$200,000, 6.55%

(e) On all taxable income exceeding \$200,000, 6.75%

SECTION 2144p. 71.06 (2) (g) of the statutes is amended to read:

71.06 (2) (g) For joint returns, for taxable years beginning after December 31, 2000, and before January 1, 2002:

~~1. On all taxable income from \$0 to \$10,000, 4.6% 4.508%~~

~~2. On all taxable income exceeding \$10,000 but not exceeding \$20,000, 6.15%~~

~~6.027%~~

~~3. On all taxable income exceeding \$20,000 but not exceeding \$150,000, 6.5%~~

~~6.37%~~

~~4. On all taxable income exceeding \$150,000, 6.75% 6.615%~~

SECTION 2144q. 71.06 (2) (h) of the statutes is amended to read:

71.06 (2) (h) For married persons filing separately, for taxable years beginning after December 31, 2000, and before January 1, 2002:

- 1. On all taxable income from \$0 to \$5,000, 4.6% 4.508%.
- 2. On all taxable income exceeding \$5,000 but not exceeding \$10,000, 6.15%
6.027%.
- 3. On all taxable income exceeding \$10,000 but not exceeding \$75,000, 6.5%
6.37%.
- 4. On all taxable income exceeding \$75,000, 6.75% 6.615%.

SECTION 2144r. 71.06 (2) (i) of the statutes is created to read:

71.06 (2) (i) For joint returns, for taxable years beginning after December 31, 2001:

- 1. On all taxable income from \$0 to \$~~10,000~~^{13,000}, ~~4.6%~~^{4.73%}.
 - 2. On all taxable income exceeding \$~~10,000~~^{13,000} but not exceeding \$~~20,000~~^{69,000}, ~~6.08%~~^{6.0%}.
 - 3. On all taxable income exceeding \$~~10,000~~^{69,000} but not exceeding \$~~150,000~~^{129,000}, ~~6.37%~~^{6.33%}.
 - 4. On all taxable income exceeding \$~~150,000~~^{120,000 but not exceeding 240,000}, ~~6.62%~~^{6.55%}.
 - 5. On all taxable income exceeding \$~~240,000~~^{240,000}, ~~6.75%~~^{6.75%}.
- SECTION 2144s. 71.06 (2) (j) of the statutes is created to read:

71.06 (2) (j) For married persons filing separately, for taxable years beginning after December 31, 2001:

- 1. On all taxable income from \$0 to \$~~5,000~~^{6,500}, ~~4.6%~~^{4.73%}.
- 2. On all taxable income exceeding \$~~5,000~~^{6,500} but not exceeding \$~~10,000~~^{30,000}, ~~6.08%~~^{6.0%}.
- 3. On all taxable income exceeding \$~~10,000~~^{30,000} but not exceeding \$~~75,000~~^{60,000}, ~~6.37%~~^{6.33%}.
- 4. On all taxable income exceeding \$~~75,000~~^{60,000 but not exceeding 120,000}, ~~6.62%~~^{6.55%}.
- 5. On all taxable income exceeding \$~~120,000~~^{120,000}, ~~6.75%~~^{6.75%}.

2. Page 729, line 25: after "1999," insert "and before January 1, 2002,".

3. Page 730, line 2: after "and (h)" insert "and for taxable years beginning after

December 31, 2001, the maximum dollar amount in each tax bracket, and the

1 corresponding minimum dollar amount in the next bracket, under subs. (1q) and (2)
2 (i) and (j).”

3 **4.** Page 730, line 18: after that line insert:

4 “**SECTION 2145c.** 71.06 (2m) of the statutes is amended to read:

5 **71.06 (2m) RATE CHANGES.** If a rate under sub. (1), (1m), (1n), (1p) ~~or (1q), or~~
6 (2) changes during a taxable year, the taxpayer shall compute the tax for that taxable
7 year by the methods applicable to the federal income tax under section 15 of the
8 internal revenue code.

9 **SECTION 2145d.** 71.06 (2s) (d) of the statutes is amended to read:

10 **71.06 (2s) (d)** For taxable years beginning after December 31, 2000, and before
11 January 1, 2002, with respect to nonresident individuals, including individuals
12 changing their domicile into or from this state, the tax brackets under subs. (1p) and
13 (2) (g) and (h) shall be multiplied by a fraction, the numerator of which is Wisconsin
14 adjusted gross income and the denominator of which is federal adjusted gross
15 income. In this paragraph, for married persons filing separately “adjusted gross
16 income” means the separate adjusted gross income of each spouse, and for married
17 persons filing jointly “adjusted gross income” means the total adjusted gross income
18 of both spouses. If an individual and that individual’s spouse are not both domiciled
19 in this state during the entire taxable year, the tax brackets under subs. (1p) and (2)
20 (g) and (h) on a joint return shall be multiplied by a fraction, the numerator of which
21 is their joint Wisconsin adjusted gross income and the denominator of which is their
22 joint federal adjusted gross income.

23 **SECTION 2145e.** 71.06 (2s) (e) of the statutes is created to read:

1 71.06 (2s) (e) For taxable years beginning after December 31, 2001, with
2 respect to nonresident individuals, including individuals changing their domicile
3 into or from this state, the tax brackets under subs. (1q) and (2) (i) and (j) shall be
4 multiplied by a fraction, the numerator of which is Wisconsin adjusted gross income
5 and the denominator of which is federal adjusted gross income. In this paragraph,
6 for married persons filing separately “adjusted gross income” means the separate
7 adjusted gross income of each spouse, and for married persons filing jointly “adjusted
8 gross income” means the total adjusted gross income of both spouses. If an individual
9 and that individual’s spouse are not both domiciled in this state during the entire
10 taxable year, the tax brackets under subs. (1q) and (2) (i) and (j) on a joint return
11 shall be multiplied by a fraction, the numerator of which is their joint Wisconsin
12 adjusted gross income and the denominator of which is their joint federal adjusted
13 gross income.”.

14 **5.** Page 741, line 2: after that line insert:

15 **“SECTION 2153r.** 71.125 (1) of the statutes is amended to read:

16 71.125 (1) Except as provided in sub. (2), the tax imposed by this chapter on
17 individuals and the rates under s. 71.06 (1), (1m), (1n), (1p) ~~and, (1q), and~~ (2) shall
18 apply to the Wisconsin taxable income of estates or trusts, except nuclear
19 decommissioning trust or reserve funds, and that tax shall be paid by the fiduciary.

20 **SECTION 2153s.** 71.125 (2) of the statutes is amended to read:

21 71.125 (2) Each electing small business trust, as defined in section 1361 (e) (1)
22 of the Internal Revenue Code, is subject to tax at the highest rate under s. 71.06 (1),
23 (1m), (1n) ~~or, (1p), or~~ (1q), whichever taxable year is applicable, on its income as

1 computed under section 641 of the Internal Revenue Code, as modified by s. 71.05
2 (6) to (12), (19) and (20).”.

3 **6.** Page 741, line 19: after that line insert:

4 “**SECTION 2156m.** 71.17 (6) of the statutes is amended to read:

5 71.17 (6) FUNERAL TRUSTS. If a qualified funeral trust makes the election under
6 section 685 of the Internal Revenue Code for federal income tax purposes, that
7 election applies for purposes of this chapter and each trust shall compute its own tax
8 and shall apply the rates under s. 71.06 (1), (1m), (1n) ~~or~~, (1p), or (1q).”.

9 **7.** Page 831, line 23: after that line insert:

10 “**SECTION 2195m.** 71.64 (9) (b) (intro.) of the statutes is amended to read:

11 71.64 (9) (b) (intro.) The department shall from time to time adjust the
12 withholding tables to reflect any changes in income tax rates, any applicable surtax
13 or any changes in dollar amounts in s. 71.06 (1), (1m), (1n), (1p), (1q), and (2) resulting
14 from statutory changes, except as follows:

15 **SECTION 2195n.** 71.67 (5) (a) of the statutes is amended to read:

16 71.67 (5) (a) *Wager winnings.* A person holding a license to sponsor and
17 manage races under s. 562.05 (1) (b) or (c) shall withhold from the amount of any
18 payment of pari-mutuel winnings under s. 562.065 (3) (a) or (3m) (a) an amount
19 determined by multiplying the amount of the payment by the highest rate applicable
20 to individuals under s. 71.06 (1) (a) to (c), (1m), (1n) ~~or~~, (1p), or (1q) if the amount of
21 the payment is more than \$1,000.

22 **SECTION 2195p.** 71.67 (5m) of the statutes is amended to read:

23 71.67 (5m) A person that purchases an assignment of a lottery prize shall
24 withhold from the amount of any payment made to purchase the assignment the

1 amount that is determined by multiplying the amount of the payment by the highest
2 rate applicable to individuals under s. 71.06 (1) (a) to (c), (1m), (1n) ~~or~~, (1p), or (1q).
3 Subsection (5) (b), (c) and (d), as it applies to the amounts withheld under sub. (5) (a),
4 applies to the amount withheld under this subsection.”.

5 (END)