

### Assembly Hearing Slip

(Please print plainly)

Date: 8/22/01

Bill No. AB 318

Or  
Subject \_\_\_\_\_

Name Samantha Skrzygl

Street Address or Route Number Room 109 West - State Capitol

City and Zip Code Madison WI 53708

Representing State Representative

Speaking in favor:	<input type="checkbox"/>
Speaking against:	<input type="checkbox"/>
Registering in favor:	<input checked="" type="checkbox"/>
Registering against:	<input type="checkbox"/>
Speaking for information only:	<input type="checkbox"/>
Neither for nor against:	<input type="checkbox"/>

**Please promptly return this slip to the messenger at the committee.**

Provided by:  
Assembly Sergeant at Arms  
411 West, State Capitol  
Madison, WI 53708

### Assembly Hearing Slip

(Please print plainly)

Date: 8/22/01

Bill No. AB 318

Or  
Subject \_\_\_\_\_

Name REP. NEAL KENZIE

Street Address or Route Number Room 307 North

City and Zip Code \_\_\_\_\_

Representing \_\_\_\_\_

Speaking in favor:	<input checked="" type="checkbox"/>
Speaking against:	<input type="checkbox"/>
Registering in favor:	<input type="checkbox"/>
Registering against:	<input type="checkbox"/>
Speaking for information only:	<input type="checkbox"/>
Neither for nor against:	<input type="checkbox"/>

**Please promptly return this slip to the messenger at the committee.**

Provided by:  
Assembly Sergeant at Arms  
411 West, State Capitol  
Madison, WI 53708

~~HR 187~~

HR 318

Increases tax exemption for  
taxpayers as they reach  
particular ages

SUB

DOR req'd that if bill is  
passed after July 31 RA  
it will not go into effect  
until '02

No way to offset revenues  
loss discerned at this time.

Minor benefit.

Ways & Means Committee  
Preliminary Report on Referred Legislation  
April 24, 2001

Bill: **AB 318**  
Author: **Rep. Kedzie**  
Date Referred: **04-12-2001**  
Public Hearing: **N/A**  
Executive Session: **N/A**

Relating Clause: **increasing the amount of the individual income tax personal exemption for certain older taxpayers.**

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**Comments from Department of Revenue-**

comments. *Tech issue on applicability date for prov ↑ exemptions.*

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**Comments from the Author-**

Author's reasoning for introducing legislation:

comments. *"Thought this up"*

Author's intent:

comments. *Graduated tax reduction for seniors.*

Does the Author want the legislation moved forward?  
*65 = \$250    65-74 = \$300    75+ = \$350*

Yes     No

If no, do we have this in writing?

Yes     No

Is the legislation in its final form?

Yes     No

If major changes are required, the author shall prepare and introduce the necessary amendments.

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**Notes-**

comments.



# State of Wisconsin

## LEGISLATIVE REFERENCE BUREAU

100 NORTH HAMILTON STREET  
P. O. BOX 2037  
MADISON, WI 53701-2037

LEGAL SECTION: (608) 266-3561  
REFERENCE SECTION: (608) 266-0341  
FAX: (608) 265-5648

STEPHEN R. MILLER  
CHIEF

May 1, 2001

## MEMORANDUM

**To:** Representative Kedzie

**From:** Marc E. Shovers, Sr. Legislative Attorney, (608) 266-0129

**Subject:** Technical Memorandum to **2001 AB-318** (LRB-2530/1)

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We received the attached technical memorandum relating to your bill. This copy is for your information and your file. I agree that the initial applicability provision should apply to every provision in the bill. If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

## MEMORANDUM

May 1, 2001

**TO:** Marc Shovers  
Legislative Reference Bureau

**FROM:** Dennis Collier  
Department of Revenue

**SUBJECT:** Technical Memorandum on AB 318 – Increasing the Individual Income Tax  
Personal Exemption for Persons 65 and Older

The Department wishes to make several comments regarding AB 318:

1. The provision for determining filing thresholds in sec. 71.03 (2)(a)1 first applies to taxable years beginning on January 1, 2001. However, there is no initial applicability date for the provisions that increase the exemption amounts in sections 71.05 (23)(b)3, 71.05 (23)(b)4, and 71.05 (23)(b)5. The sponsor may wish to assign to these sections the same initial applicability date as for the filing thresholds in sec. 71.03 (2)(a)1.
2. The sponsor may wish to include language that would change the initial applicability date of the bill to January 1, 2002 if the bill were to be enacted after July 1, 2001 in order to allow the Department sufficient time to make changes to tax forms and instructions.

If you have questions regarding this technical memorandum, please contact Meredith Krejny at 261-8984.

DC:MK:

### Fiscal Estimate - 2001 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 01-2530/1	<b>Introduction Number</b> AB-318	
<b>Subject</b>		
Increase the individual income tax personal exemptions for persons 65 and older		
<b>Fiscal Effect</b>		
<b>State:</b>		
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Create New Appropriations		
<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs		
<b>Local:</b>		
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs      3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs      4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		
5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
<b>Fund Sources Affected</b>		
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS		
<b>Affected Ch. 20 Appropriations</b>		
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DOR/ Meredith Krejny (608) 261-8984	Dennis Collier (608) 266-5773	05/01/2001

**Fiscal Estimate Narratives**

**DOR 05/01/2001**

<b>LRB Number</b> 01-2530/1	<b>Introduction Number</b> AB-318	<b>Estimate Type</b> Original
<b>Subject</b> Increase the individual income tax personal exemptions for persons 65 and older		

**Assumptions Used in Arriving at Fiscal Estimate**

Under current law, a \$700 personal exemption is allowed for each filer, spouse, and dependent, and an additional personal exemption of \$250 may be claimed by filers or spouses who have reached the age of 65 before the close of the taxable year to which the tax return relates. This bill would increase for certain filers the additional personal exemption that may be claimed by persons aged 65 and older. Filers or spouses who have reached the age of 70 may claim an additional exemption of \$300; filers or spouses who have reached the age of 75 may claim an additional exemption of \$350.

Based on a simulation using the 1999 Wisconsin Individual Income Tax Model and adjusted to reflect current law, this bill would reduce revenues by \$900,000 annually.

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 01-2530/1	<b>Introduction Number</b> AB-318	
<b>Subject</b>		
Increase the individual income tax personal exemptions for persons 65 and older		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>		
<b>II. Annualized Costs:</b>	<b>Annualized Fiscal Impact on funds from:</b>	
	Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes	\$	
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR		
FED		
PRO/PRS		
SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$-900,000
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$-900,000</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$-900,000	\$
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DOR/ Meredith Krejny (608) 261-8984	Dennis Collier (608) 266-5773	05/01/2001