



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2005 Senate Bill 152

Senate Amendment 1

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In general, **Senate Bill 152** creates an education tax credit that a “claimant” (defined as a sole proprietor, a partner, a member of a limited liability company, a shareholder of a tax-option corporation, or a corporation) may claim against the claimant’s income tax (or alternative minimum tax) if the claimant pays the tuition of an individual enrolled in a degree-granting program at a “qualified postsecondary institution.” The bill requires the claimant to make specified certifications to the Department of Revenue, and imposes additional requirements if the tuition is for a family member of the claimant or of a managing employee. The education tax credit is generally 50% of the qualified tuition that the claimant paid or incurred for the individual during the taxable year. However, it is 75% if the individual’s taxable income in the year prior to beginning the program was not more than 185% of the federal poverty line.

Under Senate Bill 152, the act would first apply to taxable years beginning on January 1, 2006. **Senate Amendment 1 to Senate Bill 152** changes that date of initial applicability to July 1, 2007.

Legislative History

Senate Amendment 1 was offered by Senator Darling. On November 28, 2005, the Senate Committee on Veterans, Homeland Security, Military Affairs, Small Business and Government Reform recommended adoption of Senate Amendment 1, and passage of Senate Bill 152 as amended, both on votes of Ayes, 5; Noes, 0.

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