

2009 DRAFTING REQUEST

Assembly Substitute Amendment (ASA-AB20)

Received: 03/24/2009

Received By: **jkreye**

Wanted: **As time permits**

Identical to LRB:

For: **Marlin Schneider (608) 266-0215**

By/Representing: **aaron**

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

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Tax, Business - crp inc, fran**

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Schneider@legis.wisconsin.gov**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Denying tax benefits to financial organizations that violate the state or federal soldier's relief act

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 03/24/2009	jdyer 03/24/2009		_____			
/1			phenry 03/24/2009	_____	mbarman 03/24/2009	mbarman 03/24/2009	
/2	jkreye 03/25/2009	nnatzke 03/25/2009	mduchek 03/26/2009	_____	sbasford 03/26/2009	sbasford 03/26/2009	

FE Sent For:

<END>

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MP MDPH

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3/26

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/?	jkreye	1 3/24 jld	MD	MD			
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FE Sent For:

<END>

Kreye, Joseph

From: Dumas, Aaron
Sent: Tuesday, March 24, 2009 1:09 PM
To: Kreye, Joseph
Subject: RE: AB 20 Technical Memo
Attachments: get_techmemo.doc

Hi Joseph,

We would like a substitute amendment on this to reflect the concerns brought up by the DOR in this memo. The suggestions made on the first two points are fine. As for the third, we would like to go with the second suggestion (in which the bill first applies to taxable years *beginning* on the day after publication). Could you put that together? Let me know if you have any further questions.

Cheers,

Aaron Dumas

Office of Representative Marlin Schneider
72nd Assembly District
Aaron.Dumas@legis.wisconsin.gov
(608) 266-0215 Toll Free 1-888-529-0072
Capitol 204 North
P.O. Box 8953 Madison, WI 53708

From: Boldt, Rebecca A - DOR [mailto:Rebecca.Boldt@revenue.wi.gov]
Sent: Tuesday, February 24, 2009 4:25 PM
To: Rep.Schneider
Subject: AB 20 Technical Memo

The Department of Revenue has submitted the attached technical memo related to AB 20 .
Rebecca Boldt
Income Tax Policy and Economic Team
Division of Research and Policy
Wisconsin Department of Revenue
2135 Rimrock Road, 6-73
Madison, WI 53708
(608) 266 -6785

03/24/2009



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-0733/1
JK:awn&jld:jf

50026/1

ASA to

keep

2009 ASSEMBLY BILL 20

in 3-24-09
due Fri 3-27-09

February 5, 2009 - Introduced by Representatives SCHNEIDER, VRUWINK and BIES.
Referred to Committee on Financial Institutions.

D-N

Regen

1 AN ACT to create 73.03 (61) of the statutes; relating to: denying tax benefits to
2 financial institutions that violate the state or federal soldiers' relief act.

Analysis by the Legislative Reference Bureau

Under current federal law, persons who are in active service in the U.S. armed forces and their dependents are given certain protections related to lawsuits, leases, obligations, and contracts for the period in which they are in active service. In addition, under current state law, a person who is in active service in the U.S. armed forces is not liable for penalties and interest related to unpaid property taxes during the period in which the person is in active service. Under this bill, the Department of Revenue must deny tax benefits to any financial organization that violates the protections offered under state and federal law to persons who are in active service in the U.S. armed forces and their dependents related to lawsuits, leases, obligations, contracts, and property taxes.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

3
4
5

SECTION 1. 73.03 (64) of the statutes is created to read:

73.03 (61) Notwithstanding the provisions of any tax exemption under ch. 70 or tax credit, deduction, or exclusion under ch. 71 for which a financial organization,

ASSEMBLY BILL 20

and 71.25(10)(a) ✓

1 as defined in ^{ss.} § 71.04 (8) (a), would otherwise be eligible, to deny, for a period of 7
2 years beginning with the year in which a violation occurs, any tax exemption under
3 ch. 70 or tax credit, deduction, or exclusion under ch. 71 to any financial organization,
4 as defined in ^{ss.} § 71.04 (8) (a) that violates s. 321.61 or 50 App. USC 501. ✓ plain ✓

5

(END) ✓

and 71.25(10)(a) ✓

the department of military affairs shall notify the department of revenue, in writing, of any violation and the date of its occurrence. ✓

Sec #. limited applicability. ✓
this act first applies to taxable years beginning on the day after publication. ✓

d-note
↓

STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU

LRB

Research (608-266-0341)

Library (608-266-7040)

Legal (608-266-3561)

LRB

50026/dm
JK:JLd

D-N

Representative Schneider:

CONCERNS

This substitute amendment addresses the concerns

raised by DOR in its technical memorandum dated

February 12, 2009. ✓

JK

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

LRBs0026/1dn
JK:jld:md

March 24, 2009

Representative Schneider:

This substitute amendment addresses the concerns raised by DOR in its technical memorandum dated February 12, 2009.

Joseph T. Kreye
Senior Legislative Attorney
Phone: (608) 266-2263
E-mail: joseph.kreye@legis.wisconsin.gov

Kreye, Joseph

From: Dumas, Aaron
Sent: Wednesday, March 25, 2009 4:49 PM
To: Kreye, Joseph
Subject: RE: AB 20 Technical Memo

Done. Thanks, Joe!

Aaron

From: Kreye, Joseph
Sent: Wednesday, March 25, 2009 4:04 PM
To: Dumas, Aaron
Subject: RE: AB 20 Technical Memo

Aaron,

I don't think it would be a problem to have DVA notify DOR as well. If you want me to redraft the sub., just send it back with the stripes.

Joe

Joseph T. Kreye
Senior Legislative Attorney
Legislative Reference Bureau
(608) 266-2263

From: Dumas, Aaron
Sent: Wednesday, March 25, 2009 4:02 PM
To: Kreye, Joseph
Subject: RE: AB 20 Technical Memo

Hi Joe,

The amendment is great, but the Rep. brought up a further question. The bill now says that DOR shall be notified by the department of military affairs, but we're thinking it should say the department of military affairs *and* the department of veterans affairs, since we think the DVA might be more likely to hear about such violations. Does that make sense, or are we missing something that would make the DVA being mentioned unnecessary?

Thanks,
Aaron

From: Kreye, Joseph
Sent: Tuesday, March 24, 2009 1:14 PM
To: Dumas, Aaron
Subject: RE: AB 20 Technical Memo

Hi Aaron,

03/25/2009

I'll prepare the substitute amendment as specified below and send it your way.

Joe

Joseph T. Kreye

Senior Legislative Attorney
Legislative Reference Bureau
(608) 266-2263

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Cheers,

Aaron Dumas

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Division of Research and Policy
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Madison, WI 53708
(608) 266 -6785

03/25/2009



State of Wisconsin
2009 - 2010 LEGISLATURE

LRBs0026/A
JK:nwn&jld:md

RMR

ASSEMBLY SUBSTITUTE AMENDMENT,
TO 2009 ASSEMBLY BILL 20

in 3-25-09

done thru 3-26

Regen.

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5 or tax credit, deduction, or exclusion under ch. 71 for which a financial organization,
6 as defined in ss. 71.04 (8) (a) and 71.25 (10) (a), would otherwise be eligible, to deny,
7 for a period of 7 years beginning with the year in which a violation occurs, any tax
8 exemption under ch. 70 or tax credit, deduction, or exclusion under ch. 71 to any
9 financial organization, as defined in ss. 71.04 (8) (a) and 71.25 (10) (a), that violates
10 s. 321.61 or 50 App. USC 501. The department of military affairs shall notify the
11 department of revenue, in writing, of any such violation and the date of its
12 occurrence.

and the department of
veterans affairs

