

2009 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB75)

Received: **06/09/2009**

Received By: **mshovers**

Wanted: **As time permits**

Identical to LRB:

For: **Legislative Fiscal Bureau**

By/Representing: **Olin (RR)**

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

Drafter: **mshovers**

May Contact: **Team Leader Rob Reinhardt**

Addl. Drafters:

Subject: **Tax, Individual - income**

Extra Copies:

Submit via email: **NO**

Pre Topic:

LFB:.....Olin -

Topic:

Income tax checkoff for Second Harvest Food Band

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>
/?	mshovers 06/09/2009	csicilia 06/10/2009		_____			
/1			mduchek 06/10/2009	_____	sbasford 06/10/2009		

FE Sent For:

<END>

2009 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB75)

Received: **06/09/2009**

Received By: **mshovers**

Wanted: **As time permits**

Identical to LRB:

For: **Legislative Fiscal Bureau 7-7597**

By/Representing: **Olin**

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

Drafter: **mshovers**

May Contact: **Team Leader Rob Reinhardt**

Addl. Drafters:

Subject: **Tax, Individual - income**

Extra Copies:

Submit via email: **YES**

Requester's email: **rick.olin@legis.wisconsin.gov**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Income tax checkoff for Second Harvest Food Band

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>
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11 MES 6/9/09

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FE Sent For:

<END>

Shovers, Marc

From: Olin, Rick
Sent: Tuesday, June 09, 2009 5:19 PM
To: Shovers, Marc
Cc: Reinhardt, Rob
Subject: ADC Budget Amendment

Marc:
Please prepare 2009 AB 69 as a budget amendment. Thanks,

Rick Olin, Fiscal Analyst
Wisconsin Legislative Fiscal Bureau
(608) 266-3847 (general)
(608) 267-7597 (direct)



2009 ASSEMBLY BILL 69

February 17, 2009 - Introduced by Representatives YOUNG, RICHARDS, HILGENBERG, GRIGSBY, SINICKI, GUNDERSON, A. WILLIAMS, PASCH, ROTH and MONTGOMERY, cosponsored by Senators COGGS, VINEHOUT, RISSER, HANSEN, KREITLOW, ERPENBACH, TAYLOR and DARLING. Referred to Committee on Ways and Means.

1 AN ACT to amend 20.566 (1) (hp), and to create 20.855 (4) (ge) and 71.10 (5i) of
2 the statutes; relating to: creating an individual income tax checkoff for
3 Wisconsin food banks that are members of Feeding America and making an
4 appropriation.

Analysis by the Legislative Reference Bureau

Under current law, an individual income tax check-off procedure exists that allows an individual who files a return to designate any amount of additional payment or any amount of a refund due for the endangered resources program. Similar checkoffs exist to provide payments to several other programs, including a veterans trust fund, prostate cancer research, multiple sclerosis programs, a fire fighters memorial, and a breast cancer research program, and to provide a donation to a professional football stadium district. This bill creates a similar income tax checkoff for designations to food banks in Wisconsin that are members of Feeding America (formerly Second Harvest). Feeding America distributes food to more than 1,500 nonprofit programs throughout Wisconsin.

Under the bill, an individual who has an income tax liability, is due a refund, or is required to file a return may designate any amount of additional payment, or any amount of a refund due, to Feeding America on his or her income tax return. If an individual's designation exceeds the amount of his or her refund, he or she must include a check with his or her tax return for the difference between the amount of the designation and the amount of the refund. If an individual who makes a

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contribution has a tax liability or has no tax liability and is due no refund, he or she must include a check for the amount of the designation with his or her tax return.

The bill requires that an amount equal to the total amount of designations received, less the total cost of administering the income tax check-off procedure, be appropriated to food banks in Wisconsin that are members of Feeding America. Sixty-five percent of the amount goes to Second Harvest food bank in Milwaukee, 20 percent to Madison, and 15 percent to Eau Claire.

For further information see the *state* 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:

⇒ SECTION ^{602e} 20.566 (1) (hp) of the statutes is amended to read:

20.566 (1) (hp) *Administration of income tax checkoff voluntary payments.* The amounts in the schedule for the payment of all administrative costs, including data processing costs, incurred in administering ss. 71.10 (5), (5e), (5f), (5fm), (5g), (5h), (5i), and (5m), and 71.30 (10). All moneys specified for deposit in this appropriation under ss. 71.10 (5) (h) 5., (5e) (h) 4., (5f) (i), (5fm) (i), (5g) (i), (5h) (i), (5i) (i), and (5m) (i), and 71.30 (10) (i) and (11) (i) shall be credited to this appropriation. ✓

#. Page 369, line 8: after that line insert:

SECTION ^{632g} 20.855 (4) (ge) of the statutes is created to read:

20.855 (4) (ge) *Feeding America; Second Harvest food banks.* As a continuing appropriation, from moneys received as amounts designated under s. 71.10 (5i) (b), the net amount certified under s. 71.10 (5i) (h) 3. for Second Harvest food banks in Wisconsin that are members of Feeding America. ✓

#. Page 797, line 6: after that line insert:

SECTION ^{1593g} 71.10 (5i) of the statutes is created to read:

71.10 (5i) FEEDING AMERICA; SECOND HARVEST FOOD BANKS CHECKOFF. (a)

Definitions. In this subsection:

- 1. "Department" means the department of revenue.

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1 2. “Second Harvest” means Second Harvest food banks in Wisconsin that are
2 members of Feeding America.

3 (b) *Voluntary payments.* 1. ‘Designation on return.’ Every individual filing an
4 income tax return who has a tax liability or is entitled to a tax refund may designate
5 on the return any amount of additional payment or any amount of a refund due that
6 individual for Second Harvest.

7 2. ‘Designation added to tax owed.’ If the individual owes any tax, the
8 individual shall remit in full the tax due and the amount designated on the return
9 for Second Harvest when the individual files a tax return.

10 3. ‘Designation deducted from refund.’ Except as provided in par. (d), if the
11 individual is owed a refund for that year after crediting under ss. 71.75 (9) and 71.80
12 (3) and (3m), the department shall deduct the amount designated on the return for
13 Second Harvest from the amount of the refund.

14 (c) *Errors; failure to remit correct amount.* If an individual who owes taxes fails
15 to remit an amount equal to or in excess of the total of the actual tax due, after error
16 corrections, and the amount designated on the return for Second Harvest:

17 1. The department shall reduce the designation for Second Harvest to reflect
18 the amount remitted in excess of the actual tax due, after error corrections, if the
19 individual remitted an amount in excess of the actual tax due, after error corrections,
20 but less than the total of the actual tax due, after error corrections, and the amount
21 originally designated on the return for Second Harvest.

22 2. The designation for Second Harvest is void if the individual remitted an
23 amount equal to or less than the actual tax due, after error corrections.

24 (d) *Errors; insufficient refund.* If an individual is owed a refund that does not
25 equal or exceed the amount designated on the return for Second Harvest, after

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1 crediting under ss. 71.75 (9) and 71.80 (3) and (3m) and after error corrections, the
2 department shall reduce the designation for Second Harvest to reflect the actual
3 amount of the refund that the individual is otherwise owed, after crediting under ss.
4 71.75 (9) and 71.80 (3) and (3m) and after error corrections.

5 (e) *Conditions.* If an individual places any conditions on a designation for
6 Second Harvest, the designation is void.

7 (f) *Void designation.* If a designation for Second Harvest is void, the
8 department shall disregard the designation and determine amounts due, owed,
9 refunded, and received without regard to the void designation.

10 (g) *Tax return.* The secretary of revenue shall provide a place for the
11 designations under this subsection on the individual income tax return.

12 (h) *Certification of amounts.* Annually, on or before September 15, the
13 secretary of revenue shall certify to the department of administration and the state
14 treasurer all of the following:

15 1. The total amount of the administrative costs, including data processing
16 costs, incurred by the department in administering this subsection during the
17 previous fiscal year.

18 2. The total amount received from all designations for Second Harvest made
19 by taxpayers during the previous fiscal year.

20 3. The net amount remaining after the administrative costs, including data
21 processing costs, under subd. 1. are subtracted from the total received under subd.

22 2.

23 (i) *Appropriations.* From the moneys received from designations for Second
24 Harvest, an amount equal to the sum of administrative expenses, including data
25 processing costs, certified under par. (h) 1. shall be deposited in the general fund and

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1 credited to the appropriation account under s. 20.566 (1) (hp), and the department
2 shall annually pay the following percentages of the net amount remaining that is
3 certified under par. (h) 3. from the appropriation under s. 20.855 (4) (ge):

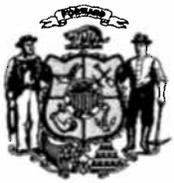
- 4 1. Sixty-five percent to Second Harvest that is located in the city of Milwaukee.
- 5 2. Twenty percent to Second Harvest that is located in the city of Madison.
- 6 3. Fifteen percent to Second Harvest that is located in the city of Eau Claire.

7 (j) *Amounts subject to refund.* Amounts designated for Second Harvest under
8 this subsection are not subject to refund to the taxpayer unless the taxpayer submits
9 information to the satisfaction of the department, within 18 months after the date
10 on which the taxes are due or the date on which the return is filed, whichever is later,
11 that the amount designated is clearly in error. Any refund granted by the
12 department under this paragraph shall be deducted from the moneys received under
13 this subsection in the fiscal year for which the refund is certified. ✓

#. Page 1875, line 31 after that line insert:
SECTION 4 Initial applicability.

14 (69) (c) → Second harvest food banks.
15 (c) The treatment of section 71.10 (5i) of the statutes first applies to taxable
16 years beginning on January 1 of the year in which this subsection takes effect, except
17 that if this subsection takes effect after July 31 the treatment of section 71.10 (5i) of
18 the statutes first applies to taxable years beginning on January 1 of the year
19 following the year in which this subsection takes effect. ✓

(END)



LFB:.....Olin - Income tax checkoff for Second Harvest Food Bank

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

ASSEMBLY AMENDMENT ,

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 2009 ASSEMBLY BILL 75

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

2 **1.** Page 245, line 15: after that line insert:

3 “(ge) Feeding America; Second Har-

4 vest food banks PR C -0- -0-”.

5 **2.** Page 365, line 2: after that line insert:

6 “SECTION 602e. 20.566 (1) (hp) of the statutes is amended to read:

7 20.566 (1) (hp) *Administration of income tax checkoff voluntary payments.* The

8 amounts in the schedule for the payment of all administrative costs, including data

9 processing costs, incurred in administering ss. 71.10 (5), (5e), (5f), (5fm), (5g), (5h),

10 (5i), and (5m), and 71.30 (10). All moneys specified for deposit in this appropriation

1 under ss. 71.10 (5) (h) 5., (5e) (h) 4., (5f) (i), (5fm) (i), (5g) (i), (5h) (i), (5i) (i), and (5m)
2 (i), and 71.30 (10) (i) and (11) (i) shall be credited to this appropriation.”.

3 **3.** Page 369, line 8: after that line insert:

4 “**SECTION 632g.** 20.855 (4) (ge) of the statutes is created to read:

5 20.855 (4) (ge) *Feeding America; Second Harvest food banks.* As a continuing
6 appropriation, from moneys received as amounts designated under s. 71.10 (5i) (b),
7 the net amount certified under s. 71.10 (5i) (h) 3. for Second Harvest food banks in
8 Wisconsin that are members of Feeding America.”.

9 **4.** Page 797, line 6: after that line insert:

10 “**SECTION 1593g.** 71.10 (5i) of the statutes is created to read:

11 71.10 (5i) FEEDING AMERICA; SECOND HARVEST FOOD BANKS CHECKOFF. (a)
12 *Definitions.* In this subsection:

13 1. “Department” means the department of revenue.

14 2. “Second Harvest” means Second Harvest food banks in Wisconsin that are
15 members of Feeding America.

16 (b) *Voluntary payments.* 1. ‘Designation on return.’ Every individual filing an
17 income tax return who has a tax liability or is entitled to a tax refund may designate
18 on the return any amount of additional payment or any amount of a refund due that
19 individual for Second Harvest.

20 2. ‘Designation added to tax owed.’ If the individual owes any tax, the
21 individual shall remit in full the tax due and the amount designated on the return
22 for Second Harvest when the individual files a tax return.

23 3. ‘Designation deducted from refund.’ Except as provided in par. (d), if the
24 individual is owed a refund for that year after crediting under ss. 71.75 (9) and 71.80

1 (3) and (3m), the department shall deduct the amount designated on the return for
2 Second Harvest from the amount of the refund.

3 (c) *Errors; failure to remit correct amount.* If an individual who owes taxes fails
4 to remit an amount equal to or in excess of the total of the actual tax due, after error
5 corrections, and the amount designated on the return for Second Harvest:

6 1. The department shall reduce the designation for Second Harvest to reflect
7 the amount remitted in excess of the actual tax due, after error corrections, if the
8 individual remitted an amount in excess of the actual tax due, after error corrections,
9 but less than the total of the actual tax due, after error corrections, and the amount
10 originally designated on the return for Second Harvest.

11 2. The designation for Second Harvest is void if the individual remitted an
12 amount equal to or less than the actual tax due, after error corrections.

13 (d) *Errors; insufficient refund.* If an individual is owed a refund that does not
14 equal or exceed the amount designated on the return for Second Harvest, after
15 crediting under ss. 71.75 (9) and 71.80 (3) and (3m) and after error corrections, the
16 department shall reduce the designation for Second Harvest to reflect the actual
17 amount of the refund that the individual is otherwise owed, after crediting under ss.
18 71.75 (9) and 71.80 (3) and (3m) and after error corrections.

19 (e) *Conditions.* If an individual places any conditions on a designation for
20 Second Harvest, the designation is void.

21 (f) *Void designation.* If a designation for Second Harvest is void, the
22 department shall disregard the designation and determine amounts due, owed,
23 refunded, and received without regard to the void designation.

24 (g) *Tax return.* The secretary of revenue shall provide a place for the
25 designations under this subsection on the individual income tax return.

1 (h) *Certification of amounts.* Annually, on or before September 15, the
2 secretary of revenue shall certify to the department of administration and the state
3 treasurer all of the following:

4 1. The total amount of the administrative costs, including data processing
5 costs, incurred by the department in administering this subsection during the
6 previous fiscal year.

7 2. The total amount received from all designations for Second Harvest made
8 by taxpayers during the previous fiscal year.

9 3. The net amount remaining after the administrative costs, including data
10 processing costs, under subd. 1. are subtracted from the total received under subd.
11 2.

12 (i) *Appropriations.* From the moneys received from designations for Second
13 Harvest, an amount equal to the sum of administrative expenses, including data
14 processing costs, certified under par. (h) 1. shall be deposited in the general fund and
15 credited to the appropriation account under s. 20.566 (1) (hp), and the department
16 shall annually pay the following percentages of the net amount remaining that is
17 certified under par. (h) 3. from the appropriation under s. 20.855 (4) (ge):

18 1. Sixty-five percent to Second Harvest that is located in the city of Milwaukee.

19 2. Twenty percent to Second Harvest that is located in the city of Madison.

20 3. Fifteen percent to Second Harvest that is located in the city of Eau Claire.

21 (j) *Amounts subject to refund.* Amounts designated for Second Harvest under
22 this subsection are not subject to refund to the taxpayer unless the taxpayer submits
23 information to the satisfaction of the department, within 18 months after the date
24 on which the taxes are due or the date on which the return is filed, whichever is later,
25 that the amount designated is clearly in error. Any refund granted by the

1 department under this paragraph shall be deducted from the moneys received under
2 this subsection in the fiscal year for which the refund is certified.”.

3 **5.** Page 1875, line 3: after that line insert:

4 “(6q) SECOND HARVEST FOOD BANKS. The treatment of section 71.10 (5i) of the
5 statutes first applies to taxable years beginning on January 1 of the year in which
6 this subsection takes effect, except that if this subsection takes effect after July 31
7 the treatment of section 71.10 (5i) of the statutes first applies to taxable years
8 beginning on January 1 of the year following the year in which this subsection takes
9 effect.”.

10

(END)