

## 2011 DRAFTING REQUEST

### Bill

Received: 06/08/2011

Received By: jkreye

Wanted: As time permits

Companion to LRB:

For: Terry Moulton (608) 266-7511

By/Representing: elise

May Contact:

Drafter: jkreye

Subject: Tax, Business - credits

Addl. Drafters:

Extra Copies:

Submit via email: YES

Requester's email: Sen.Moulton@legis.wisconsin.gov

Carbon copy (CC:) to: joseph.kreye@legis.wisconsin.gov

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### Pre Topic:

No specific pre topic given

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### Topic:

Workplace wellness tax credits

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### Instructions:

See attached

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### 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 06/08/2011	wjackson 06/22/2011		_____			State
/1			mduchek 06/23/2011	_____	lparisi 06/23/2011		State
/2	jkreye 06/30/2011	wjackson 07/08/2011	jfrantze 07/11/2011	_____	lparisi 07/11/2011		State
/3	jkreye 07/20/2011	wjackson 07/20/2011	rschluet 07/21/2011	_____	sbasford 07/21/2011	lparisi 07/27/2011	

Vers.      Drafted      Reviewed      Typed      Proofed      Submitted      Jacketed      Required

FE Sent For:

At Intro

<END>

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/1			mduchek 06/23/2011	_____	lparisi 06/23/2011		State
/2	jkreye 06/30/2011	wjackson 07/08/2011	jfrantze 07/11/2011	_____	lparisi 07/11/2011		

FE Sent For:

1/3 WLJ 7/20

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7/20/11

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7/21

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May Contact:

Drafter: **jkreye**

Subject: **Tax, Business - credits**

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Extra Copies:

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Carbon copy (CC:) to: **joseph.kreye@legis.wisconsin.gov**

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**Topic:**

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**Instructions:**

See attached

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/?	jkreye 06/08/2011	wjackson 06/22/2011		_____			State
/1		12 WJH 6/8	mduchek 06/23/2011	_____	lparisi 06/23/2011		

FE Sent For:

*JK*  
*6/8*  
*JK*  
*7/11*  
**<END>**

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/?	jkreye	1 WJG/22	AD 1 23	Jan 6 22			

FE Sent For:

<END>

**Kreye, Joseph**

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**From:** Nelson, Elise  
**Sent:** Wednesday, June 08, 2011 12:33 PM  
**To:** Kreye, Joseph  
**Subject:** Sen. Moulton Workplace Wellness Tax Credit Draft

**Attachments:** 20110520120349885.pdf

Hi, Joe. Attached is a 2007 draft (and irrelevant Leg Council Memo...sorry, it's the only draft I have handy in PDF). Sen. Moulton would like to redraft with only a few changes: 1. The Department of Revenue will oversee this credit. 2. Could we make a provision that any unused credits for claimants with over 50 employees become available to those with fewer than 50 employees (so that smaller businesses could draw on additional credits)?

Please let me know if you have questions. Thanks, Joe.

**Elise Nelson**  
Office of Sen. Terry Moulton  
23rd Senate District  
608.266.7511

6/8/2011

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# 2007 ASSEMBLY BILL 235

April 10, 2007 - Introduced by Representatives MOULTON, KRAMER, SHERIDAN, VAN ROY, VUKMIR, NYGREN, VRUWINK, ALBERS, MUSSER, WOOD, PETERSEN, DAVIS, M. WILLIAMS, A. OTT, PETROWSKI, LEMAHIEU, GUNDERSON, MONTGOMERY, KESTELL, MOLEPSKE, TOWNSEND, HINES and KLEEFISCH, cosponsored by Senators LASSA, ROESSLER, PLALE, DARLING, SCHULTZ and LEIGHAM. Referred to Committee on Small Business.

re gov

1 AN ACT *to amend* 71.05 (6) (a) 15., 71.21 (4), 71.26 (2) (a), 71.34 (1) (g), 71.45 (2),  
2 (a) 10. and 77.92 (4); and *to create* 71.07 (5i), 71.10 (4) (gxx), 71.28 (5i), 71.30  
3 (3) (epa), 71.47 (5i), 71.49 (1) (epa) and 560.204 of the statutes; **relating to:** an  
4 income and franchise tax credit for workplace wellness programs, granting  
5 rule-making authority, and requiring the exercise of rule-making authority.

### *Analysis by the Legislative Reference Bureau*

This bill creates an income and franchise tax credit for workplace wellness programs. The amount of the credit is equal to 30 percent of the amount that an employer pays in the taxable year to provide a workplace wellness program to any of the employer's employees who are employed in this state. A workplace wellness program is a health or fitness program, as defined by administrative rule by the Department of ~~Programs~~, that is provided with health risk assessments.

Revenue

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:*

6

SECTION 1. 71.05 (6) (a) 15. of the statutes is amended to read:



ASSEMBLY BILL 235

73.15

1 (b) *Filing claims.* Subject to the limitations provided in this subsection and s.  
 2 560.204, a claimant may claim as a credit against the taxes imposed under s. 71.02,  
 3 up to the amount of those taxes, in each taxable year for 3 years, an amount that is  
 4 equal to 30 percent of the amount that the claimant paid in the taxable year to  
 5 provide a workplace wellness program to any of the claimant's employees who are  
 6 employed in this state, not including any amount paid to acquire, construct,  
 7 rehabilitate, remodel, or repair real property.

Except as provided under in s. 73.15(2), the

8 (c) *Limitations.* 1. The maximum amount of the credits that may be claimed  
 9 under this subsection and ss. 71.28 (5i) and 71.47 (5i) in any taxable year is  
 10 \$2,500,000 for all claimants who employ 50 or fewer employees in the taxable year  
 11 and \$2,500,000 for all claimants who employ more than 50 employees in the taxable  
 12 year.

13 2. Partnerships, limited liability companies, and tax-option corporations may  
 14 not claim the credit under this subsection, but the eligibility for, and the amount of,  
 15 the credit are based on their payment of amounts under par. (b). A partnership,  
 16 limited liability company, or tax-option corporation shall compute the amount of  
 17 credit that each of its partners, members, or shareholders may claim and shall  
 18 provide that information to each of them. Partners, members of limited liability  
 19 companies, and shareholders of tax-option corporations may claim the credit in  
 20 proportion to their ownership interests.

21 (d) *Administration.* Section 71.28 (4) (e) to (h), as it applies to the credit under  
 22 s. 71.28 (4), applies to the credit under this subsection.

23 SECTION 3. 71.10 (4) (gxx) of the statutes is created to read:

24 71.10 (4) (gxx) (Workplace wellness program credit under s. 71.07 (5i)).

25 SECTION 4. 71.21 (4) of the statutes is amended to read:

ASSEMBLY BILL 235

SECTION 4

1 71.21 (4) Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),  
 2 (2dj), (2dL), (2dm), (2ds), (2dx), (3g), (3n), (3s), (3t), (3w), (5b), (5e), (5f), (5g), and (5h),  
 3 and (5i) and passed through to partners shall be added to the partnership's income.

4 SECTION 5. 71.26 (2) (a) of the statutes is amended to read:

5 71.26 (2) (a) *Corporations in general.* The "net income" of a corporation means  
 6 the gross income as computed under the Internal Revenue Code as modified under  
 7 sub. (3) minus the amount of recapture under s. 71.28 (1di) plus the amount of credit  
 8 computed under s. 71.28 (1), (3), (4), and (5) minus, as provided under s. 71.28 (3) (c)  
 9 7., the amount of the credit under s. 71.28 (3) that the taxpayer added to income  
 10 under this paragraph at the time that the taxpayer first claimed the credit plus the  
 11 amount of the credit computed under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm),  
 12 (1ds), (1dx), (3g), (3n), (3t), (3w), (5b), (5e), (5f), (5g), and (5h), and (5i) and not passed  
 13 through by a partnership, limited liability company, or tax-option corporation that  
 14 has added that amount to the partnership's, limited liability company's, or  
 15 tax-option corporation's income under s. 71.21 (4) or 71.34 (1) (g) plus the amount  
 16 of losses from the sale or other disposition of assets the gain from which would be  
 17 wholly exempt income, as defined in sub. (3) (L), if the assets were sold or otherwise  
 18 disposed of at a gain and minus deductions, as computed under the Internal Revenue  
 19 Code as modified under sub. (3), plus or minus, as appropriate, an amount equal to  
 20 the difference between the federal basis and Wisconsin basis of any asset sold,  
 21 exchanged, abandoned, or otherwise disposed of in a taxable transaction during the  
 22 taxable year, except as provided in par. (b) and s. 71.45 (2) and (5).

23 SECTION 6. 71.28 (5i) of the statutes is created to read:

24 71.28 (5i) WORKPLACE WELLNESS PROGRAM CREDIT. (a) *Definitions.* In this  
 25 subsection:

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(8s)  
(8s) (B)

- 1           1. "Claimant" means a person who files a claim under this subsection.
- 2           2. "Health risk assessment" means a computer-based health-promotion tool
- 3 consisting of a questionnaire; a biometric health screening to measure vital health
- 4 statistics, including blood pressure, cholesterol, glucose, weight, and height; a
- 5 formula for estimating health risks; an advice database; and a means to generate
- 6 reports.

7           3. "Workplace wellness program" means a health or fitness program, as defined

8 by rule under s. 560.204 (A), ~~which provides~~ <sup>and includes</sup> health risk assessments and

9 ~~the following~~ the following programs or services:

- 10           a. Smoking cessation.
- 11           b. Weight management.
- 12           c. Stress management.
- 13           d. Worker injury prevention programs.
- 14           e. Health screenings.
- 15           f. Nutrition education.
- 16           g. Health or fitness incentive programs.

17           (b) *Filing claims.* Subject to the limitations provided in this subsection and s.

18 560.204, a claimant may claim as a credit against the taxes imposed under s. 71.23,

19 up to the amount of those taxes, in each taxable year for 3 years, an amount that is

20 equal to 30 percent of the amount that the claimant paid in the taxable year to

21 provide a workplace wellness program to any of the claimant's employees who are

22 employed in this state, not including any amount paid to acquire, construct,

23 rehabilitate, remodel, or repair real property.

24           (c) *Limitations.* 1. The maximum amount of the credits that may be claimed

25 under this subsection and ss. 71.07 (5) and 71.47 (5) in any taxable year is

Except as provided ~~in~~ in s. 73.15(2), the

(85)

1 \$2,500,000 for all claimants who employ 50 or fewer employees in the taxable year  
2 and \$2,500,000 for all claimants who employ more than 50 employees in the taxable  
3 year.

4 2. Partnerships, limited liability companies, and tax-option corporations may  
5 not claim the credit under this subsection, but the eligibility for, and the amount of,  
6 the credit are based on their payment of amounts under par. (b). A partnership,  
7 limited liability company, or tax-option corporation shall compute the amount of  
8 credit that each of its partners, members, or shareholders may claim and shall  
9 provide that information to each of them. Partners, members of limited liability  
10 companies, and shareholders of tax-option corporations may claim the credit in  
11 proportion to their ownership interests.

12 (d) *Administration*. Subsection (4) (e) to (h), as it applies to the credit under  
13 sub. (4), applies to the credit under this subsection.

14 SECTION 7. 71.30 (3) <sup>g</sup> ~~(epa)~~ <sup>(cf)</sup> of the statutes is created to read:

15 71.30 (3) <sup>(cf)</sup> ~~(epa)~~ Workplace wellness program credit under s. 71.28 ~~(5i)~~ (85) ✓

16 SECTION 8. 71.34 (1) (g) of the statutes is amended to read:

17 71.34 (1) (g) An addition shall be made for credits computed by a tax-option  
18 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (3), (3g),  
19 (3n), (3t), (3w), (5b), (5e), (5f), (5g), ~~and (5h), and (5i)~~ and passed through to  
20 shareholders.

21 SECTION 9. 71.45 (2) (a) 10. of the statutes is amended to read:

22 71.45 (2) (a) 10. By adding to federal taxable income the amount of credit  
23 computed under s. 71.47 (1dd) to (1dx), (3n), (3w), (5b), (5e), (5f), (5g), ~~and (5h), and~~  
24 ~~(5i)~~ and not passed through by a partnership, limited liability company, or tax-option  
25 corporation that has added that amount to the partnership's, limited liability

ASSEMBLY BILL 235

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1 company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1) (g) and  
2 the amount of credit computed under s. 71.47 (1), (3), (3t), (4), and (5).

3 SECTION 10. 71.47 (5i) of the statutes is created to read:

4 71.47 (5i) WORKPLACE WELLNESS PROGRAM CREDIT. (a) *Definitions.* In this  
5 subsection:

6 1. "Claimant" means a person who files a claim under this subsection.

7 2. "Health risk assessment" means a computer-based health-promotion tool  
8 consisting of a questionnaire; a biometric health screening to measure vital health  
9 statistics, including blood pressure, cholesterol, glucose, weight, and height; a  
10 formula for estimating health risks; an advice database; and a means to generate  
11 reports.

12 3. "Workplace wellness program" means a health or fitness program, as defined  
13 by rule under s. 560.204 (4), and includes health risk assessments and ~~includes~~ the  
14 following programs or services:

- 15 a. Smoking cessation.
- 16 b. Weight management.
- 17 c. Stress management.
- 18 d. Worker injury prevention programs.
- 19 e. Health screenings.
- 20 f. Nutrition education.
- 21 g. Health or fitness incentive programs.

22 (b) *Filing claims.* Subject to the limitations provided in this subsection and s.  
23 560.204, a claimant may claim as a credit against the taxes imposed under s. 71.43,  
24 up to the amount of those taxes, in each taxable year for 3 years, an amount that is  
25 equal to 30 percent of the amount that the claimant paid in the taxable year to

73.15

73.15

q3

(8s) (b)

(8s)

9

1 provide a workplace wellness program to any of the claimant's employees who are  
2 employed in this state, not including any amount paid to acquire, construct,  
3 rehabilitate, remodel, or repair real property.

*Except as provided under in s. 73.15(2), the*

4 (c) *Limitations.* 1. The maximum amount of the credits that may be claimed  
5 under this subsection and ss. 71.07 (5i) and 71.28 (5i) in any taxable year is  
6 \$2,500,000 for all claimants who employ 50 or fewer employees in the taxable year  
7 and \$2,500,000 for all claimants who employ more than 50 employees in the taxable  
8 year.

9 2. Partnerships, limited liability companies, and tax-option corporations may  
10 not claim the credit under this subsection, but the eligibility for, and the amount of,  
11 the credit are based on their payment of amounts under par. (b). A partnership,  
12 limited liability company, or tax-option corporation shall compute the amount of  
13 credit that each of its partners, members, or shareholders may claim and shall  
14 provide that information to each of them. Partners, members of limited liability  
15 companies, and shareholders of tax-option corporations may claim the credit in  
16 proportion to their ownership interests.

17 (d) *Administration.* Section 71.28 (4) (e) to (h), as it applies to the credit under  
18 s. 71.28 (4), applies to the credit under this subsection.

19 SECTION 11. 71.49 (1) (epa) <sup>(cf)</sup> of the statutes is created to read:

20 71.49 (1) (epa) <sup>(cf)</sup> Workplace wellness program credit under s. 71.47 (5i). (85) ✓

21 SECTION 12. 77.92 (4) of the statutes is amended to read:

22 77.92 (4) "Net business income," with respect to a partnership, means taxable  
23 income as calculated under section 703 of the Internal Revenue Code; plus the items  
24 of income and gain under section 702 of the Internal Revenue Code, including taxable  
25 state and municipal bond interest and excluding nontaxable interest income or

1 dividend income from federal government obligations; minus the items of loss and  
2 deduction under section 702 of the Internal Revenue Code, except items that are not  
3 deductible under s. 71.21; plus guaranteed payments to partners under section 707  
4 (c) of the Internal Revenue Code; plus the credits claimed under s. 71.07 (2dd), (2de),  
5 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (3g), (3s), (3n), (3t), (3w), (5b), (5e), (5f),  
6 (5g), and (5h), and (5i); and plus or minus, as appropriate, transitional adjustments,  
7 depreciation differences, and basis differences under s. 71.05 (13), (15), (16), (17), and  
8 (19); but excluding income, gain, loss, and deductions from farming. "Net business  
9 income," with respect to a natural person, estate, or trust, means profit from a trade  
10 or business for federal income tax purposes and includes net income derived as an  
11 employee as defined in section 3121 (d) (3) of the Internal Revenue Code.

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12 SECTION 13. 560.204 of the statutes is created to read:

13 <sup>73.15</sup> **560.204** Workplace wellness programs. (1) The department shall <sup>of revenue</sup>  
14 implement a program to certify workplace wellness programs under ss. 71.07 <sup>(8s)</sup>,  
15 71.28 <sup>(8s)</sup>, and 71.47 <sup>(8s)</sup>.

16 (2) If the department <sup>of revenue</sup> certifies a workplace wellness program under sub. (1),  
17 ~~AMCA~~ the department shall determine the amount of workplace wellness program credits  
18 to allocate to the business providing the workplace wellness program. The total  
19 amount of workplace wellness program credits allocated to businesses in any year  
20 may not exceed \$5,000,000. In any year, the department <sup>of revenue</sup> may not allocate more than  
21 \$2,500,000 in credits to businesses with more than 50 employees, and may not  
22 allocate more than \$2,500,000 in credits to businesses with 50 or fewer employees.

23 (3) The department shall inform the department of revenue of every business  
24 whose workplace wellness program is certified under sub. (1) and the amount of  
25 credits allocated to the business.

except that the department may increase the allocation to businesses with 50 or fewer employees by the amount of any credits the department is not able to allocate to businesses with 50 or more employees

## BILL

1           71.05 (6) (a) 15. The amount of the credits computed under s. 71.07 (2dd), (2de),  
 2           (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r),  
 3           (3rm), (3rn), (3s), (3t), (3w), (5e), (5f), (5h), (5i), (5j), (5k), (5n), (5r), (5rm), and (8s),  
 4           and not passed through by a partnership, limited liability company, or tax-option  
 5           corporation that has added that amount to the partnership's, company's, or  
 6           tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g).

7           **SECTION 2.** 71.07 (8s) of the statutes is created to read:

8           71.07 (8s) WORKPLACE WELLNESS PROGRAM CREDIT. (a) *Definitions.* In this  
 9           subsection:

10           1. "Claimant" means a person who files a claim under this subsection.

11           2. "Health risk assessment" means a computer-based health-promotion tool  
 12           consisting of a questionnaire; a biometric health screening to measure vital health  
 13           statistics, including blood pressure, cholesterol, glucose, weight, and height; a  
 14           formula for estimating health risks; an advice database; and a means to generate  
 15           reports.

16           3. "Workplace wellness program" means a health or fitness program, as defined  
 17           by rule under s. 73.15 (3), and includes <sup>health</sup> risk assessments and the following programs  
 18           or services:

19           a. Smoking cessation.

20           b. Weight management.

21           c. Stress management.

22           d. Worker injury prevention programs.

23           e. Health screenings.

24           f. Nutrition education.

25           g. Health or fitness incentive programs.

## BILL

1           **SECTION 4.** 71.21 (4) of the statutes, as affected by 2011 Wisconsin Act ....  
2 (Assembly Bill 40), is amended to read:

3           71.21 (4) Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),  
4 (2dj), (2dL), (2dm), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s),  
5 (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5l), (5r), (5rm), and (8r), and (8s) and  
6 passed through to partners shall be added to the partnership's income.

7           **SECTION 5.** 71.26 (2) (a) 4. of the statutes, as affected by 2011 Wisconsin Act ....  
8 (Assembly Bill 40), is amended to read:

9           71.26 (2) (a) 4. Plus the amount of the credit computed under s. 71.28 (1dd),  
10 (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy), (3g), (3h), (3n), (3p), (3q), (3r),  
11 (3rm), (3rn), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5l), (5r), (5rm), (8r), (8s),  
12 and (9s) and not passed through by a partnership, limited liability company, or  
13 tax-option corporation that has added that amount to the partnership's, limited  
14 liability company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k)  
15 (g).

16           **SECTION 6.** 71.28 (8s) of the statutes is created to read:

17           71.28 (8s) **WORKPLACE WELLNESS PROGRAM CREDIT.** (a) *Definitions.* In this  
18 subsection:

- 19           1. "Claimant" means a person who files a claim under this subsection.  
20           2. "Health risk assessment" means a computer-based health-promotion tool  
21 consisting of a questionnaire; a biometric health screening to measure vital health  
22 statistics, including blood pressure, cholesterol, glucose, weight, and height; a  
23 formula for estimating health risks; an advice database; and a means to generate  
24 reports.

**BILL**

1           3. "Workplace wellness program" means a health or fitness program, as defined  
2 by rule under s. 73.15 (3), (that) and includes health risk assessments and the  
3 following programs or services:

- 4           a. Smoking cessation.
- 5           b. Weight management.
- 6           c. Stress management.
- 7           d. Worker injury prevention programs.
- 8           e. Health screenings.
- 9           f. Nutrition education.
- 10          g. Health or fitness incentive programs.

11           (b) *Filing claims.* Subject to the limitations provided in this subsection and s.  
12 73.15, a claimant may claim as a credit against the taxes imposed under s. 71.23, up  
13 to the amount of those taxes, in each taxable year for 3 years, an amount that is equal  
14 to 30 percent of the amount that the claimant paid in the taxable year to provide a  
15 workplace wellness program to any of the claimant's employees who are employed  
16 in this state, not including any amount paid to acquire, construct, rehabilitate,  
17 remodel, or repair real property.

18           (c) *Limitations.* 1. Except as provided in s. 73.15 (2), the maximum amount  
19 of the credits that may be claimed under this subsection and ss. 71.07 (8s) and 71.47  
20 (8s) in any taxable year is \$2,500,000 for all claimants who employ 50 or fewer  
21 employees in the taxable year and \$2,500,000 for all claimants who employ more  
22 than 50 employees in the taxable year.

23           2. Partnerships, limited liability companies, and tax-option corporations may  
24 not claim the credit under this subsection, but the eligibility for, and the amount of,  
25 the credit are based on their payment of amounts under par. (b). A partnership,

**BILL**

1 limited liability company, or tax-option corporation shall compute the amount of  
2 credit that each of its partners, members, or shareholders may claim and shall  
3 provide that information to each of them. Partners, members of limited liability  
4 companies, and shareholders of tax-option corporations may claim the credit in  
5 proportion to their ownership interests.

6 (d) *Administration.* Subsection (4) (e) to (h), as it applies to the credit under  
7 sub. (4), applies to the credit under this subsection.

8 **SECTION 7.** 71.30 (3) (cf) of the statutes is created to read:

9 71.30 (3) (cf) Workplace wellness program credit under s. 71.28 (5i). (8s)

10 **SECTION 8.** 71.34 (1k) (g) of the statutes, as affected by 2011 Wisconsin Act ....  
11 (Assembly Bill 40), is amended to read:

12 71.34 (1k) (g) An addition shall be made for credits computed by a tax-option  
13 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy),  
14 (3), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j),  
15 (5k), (5l), (5r), (5rm), and (8r), and (8s) and passed through to shareholders.

16 **SECTION 9.** 71.45 (2) (a) 10. of the statutes, as affected by 2011 Wisconsin Act  
17 .... (Assembly Bill 40), is amended to read:

18 71.45 (2) (a) 10. By adding to federal taxable income the amount of credit  
19 computed under s. 71.47 (1dd) to (1dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn),  
20 (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5l), (5r), (5rm), (8r), (8s), and (9s) and not  
21 passed through by a partnership, limited liability company, or tax-option  
22 corporation that has added that amount to the partnership's, limited liability  
23 company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g) and  
24 the amount of credit computed under s. 71.47 (1), (3), (3t), (4), (4m), and (5).

25 **SECTION 10.** 71.47 (8s) of the statutes is created to read:

**BILL**

1 (c) *Limitations.* 1. Except as provided in s. 73.15 (2), the maximum amount  
2 of the credits that may be claimed under this subsection and ss. 71.07 (5i) and 71.28  
3 (5i) in any taxable year is \$2,500,000 for all claimants who employ 50 or fewer  
4 employees in the taxable year and \$2,500,000 for all claimants who employ more  
5 than 50 employees in the taxable year.

6 2. Partnerships, limited liability companies, and tax-option corporations may  
7 not claim the credit under this subsection, but the eligibility for, and the amount of,  
8 the credit are based on their payment of amounts under par. (b). A partnership,  
9 limited liability company, or tax-option corporation shall compute the amount of  
10 credit that each of its partners, members, or shareholders may claim and shall  
11 provide that information to each of them. Partners, members of limited liability  
12 companies, and shareholders of tax-option corporations may claim the credit in  
13 proportion to their ownership interests.

14 (d) *Administration.* Section 71.28 (4) (e) to (h), as it applies to the credit under  
15 s. 71.28 (4), applies to the credit under this subsection.

16 **SECTION 11.** 71.49 (1) (cf) of the statutes is created to read:

17 71.49 (1) (cf) Workplace wellness program credit under s. 71.47 (5i). <sup>(8s)</sup>

18 **SECTION 12.** 73.15 of the statutes is created to read:

19 **73.15 Workplace wellness programs.** (1) The department of revenue shall  
20 implement a program to certify workplace wellness programs under ss. 71.07 (8s),  
21 71.28 (8s), and 71.47 (8s).

22 (2) If the department of revenue certifies a workplace wellness program under  
23 sub. (1), the department shall determine the amount of workplace wellness program  
24 credits to allocate to the business providing the workplace wellness program. The  
25 total amount of workplace wellness program credits allocated to businesses in any

**BILL**

1 year may not exceed \$5,000,000. In any year, the department of revenue may not  
2 allocate more than \$2,500,000 in credits to businesses with more than 50 employees,  
3 and may not allocate more than \$2,500,000 in credits to businesses with 50 or fewer  
4 employees, except that the department may increase the allocation to businesses  
5 with 50 or fewer employees by the amount of any credit the department is not able  
6 to allocate to businesses with 50 or more employees.

7 (3) The department of revenue, in consultation with the department of health  
8 and family services, shall promulgate rules to administer this section.

9 **SECTION 13.** 77.92 (4) of the statutes, as affected by 2011 Wisconsin Act ....  
10 (Assembly Bill 40), is amended to read:

11 77.92 (4) "Net business income," with respect to a partnership, means taxable  
12 income as calculated under section 703 of the Internal Revenue Code; plus the items  
13 of income and gain under section 702 of the Internal Revenue Code, including taxable  
14 state and municipal bond interest and excluding nontaxable interest income or  
15 dividend income from federal government obligations; minus the items of loss and  
16 deduction under section 702 of the Internal Revenue Code, except items that are not  
17 deductible under s. 71.21; plus guaranteed payments to partners under section 707  
18 (c) of the Internal Revenue Code; plus the credits claimed under s. 71.07 (2dd), (2de),  
19 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r),  
20 (3rm), (3rn), (3s), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), and  
21 (8r), and (8s); and plus or minus, as appropriate, transitional adjustments,  
22 depreciation differences, and basis differences under s. 71.05 (13), (15), (16), (17), and  
23 (19); but excluding income, gain, loss, and deductions from farming. "Net business  
24 income," with respect to a natural person, estate, or trust, means profit from a trade

2011-2012 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-2220/ins  
JK:.....

2 - 5

1 SECTION ~~#~~ 71.05 (6) (a) 15. of the statutes <sup>↑ as affected by 2011 Wisconsin Act, ...</sup> is amended to read: (Assembly Bill 40),  
2 71.05 (6) (a) 15. The amount of the credits computed under s. 71.07 (2dd), (2de),  
3 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r),  
4 (3rm), (3rn), (3s), (3t), (3w), (5e), (5f), (5h), (5i), (5j), (5k), <sup>(5n)</sup>, (5r), (5rm), and (8r), and (8s) ✓  
5 and not passed through by a partnership, limited liability company, or tax-option  
6 corporation that has added that amount to the partnership's, company's, or  
7 tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g).

NOTE: NOTE: Subd. 15. is shown as affected by 4 acts of the 2009 Wisconsin Legislature and as merged by the legislative reference bureau under s. 13.92 (2) (i). The cross-reference to s. 71.07 (3rn) was changed from s. 71.07 (3rm) by the legislative reference bureau under s. 13.92 (1) (bm) 2. to reflect the renumbering of s. 71.07 (3rm), as created by 2009 Wis. Act 295, under s. 13.92 (1) (bm) 2. NOTE:

History: 1987 a. 312; 1987 a. 411 ss. 42, 43, 45, 47 to 49, 51 to 53; 1989 a. 31, 46; 1991 a. 2, 37, 39, 269; 1993 a. 16, 112, 204, 263, 437; 1995 a. 27, 56, 209, 227, 261, 371, 403, 453; 1997 a. 27, 35, 39, 237; 1999 a. 9, 32, 44, 54, 65, 167; 2001 a. 16, 104, 105, 109; 2003 a. 85, 99, 119, 135, 183, 255, 289, 321, 326; 2005 a. 22, 25, 216, 254, 335, 361, 479, 483; 2007 a. 20, 96, 226; 2009 a. 2, 28, 205, 265, 269, 276, 295, 332, 344; 2011 a. 3, 5; s. 13.92 (1) (bm) 2., (2) (i).

4 - 22

8 SECTION ~~#~~ 71.21 (4) of the statutes <sup>↑ as affected by 2011 Wisconsin Act, ...</sup> is amended to read: (Assembly Bill 40),  
9 71.21 (4) Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),  
10 (2dj), (2dL), (2dm), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s),  
11 (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), <sup>(5n)</sup>, (5r), (5rm), and (8r), and (8s) ✓  
12 through to partners shall be added to the partnership's income.

NOTE: NOTE: Sub. (4) is shown as affected by 4 acts of the 2009 Wisconsin Legislature and as merged by the legislative reference bureau under s. 13.92 (2) (i). The cross-reference to s. 71.07 (3rn) was changed from s. 71.07 (3rm) by the legislative reference bureau under s. 13.92 (1) (bm) 2. to reflect the renumbering of s. 71.07 (3rm), as created by 2009 Wis. Act 295, under s. 13.92 (1) (bm) 2. NOTE:

History: 1987 a. 312, 411; 1989 a. 31; 1993 a. 112; 1995 a. 27, 400; 1997 a. 27; 2001 a. 16; 2003 a. 99, 135, 255, 326; 2005 a. 74, 361, 479, 483; 2007 a. 20, 96; 2009 a. 2, 28, 265, 269, 295, 332; s. 13.92 (1) (bm) 2., (2) (i).

13 SECTION ~~#~~ 71.26 (2) (a) 4. of the statutes, as affected by 2011 Wisconsin Act <sup>(3)</sup>,  
14 is amended to read: ... (Assembly Bill 40) ✓  
15 71.26 (2) (a) 4. Plus the amount of the credit computed under s. 71.28 (1dd),  
16 (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy), (3g), (3h), (3n), (3p), (3q), (3r),  
17 (3rm), (3rn), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), <sup>(5n)</sup>, (5r), (5rm), (8r), (8s), and  
18 (9s) and not passed through by a partnership, limited liability company, or  
19 tax-option corporation that has added that amount to the partnership's, limited

1 liability company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k)  
2 (g).

History: 1987 a. 312; 1987 a. 411 ss. 22, 124 to 129; 1989 a. 31, 336; 1991 a. 37, 39, 221, 269; 1993 a. 16, 112, 246, 263, 399, 437, 491; 1995 a. 27, 56, 351, 371, 380, 428; 1997 a. 27, 37, 184, 237; 1999 a. 9, 65; 1999 a. 150 s. 672; 1999 a. 167, 194; 2001 a. 16, 38, 106, 109; 2003 a. 33, 85, 99, 135, 255, 326; 2005 a. 25, 74, 335, 361, 362, 479, 483; 2007 a. 20, 96, 97, 151, 226; 2009 a. 2, 28, 161, 165, 180, 183, 205, 265, 269, 295, 332, 344; 2011 a. 3, 5, 7; s. 13.92 (2) (i).

7 - 2

, as affected by 2011 Wisconsin Act... (Assembly Bill 40),

3

SECTION ~~#~~ 71.34 (1k) (g) of the statutes is amended to read:

4 71.34 (1k) (g) An addition shall be made for credits computed by a tax-option  
5 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy),  
6 (3), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j),  
7 (5k), (5n), (5r), (5rm), and (8r), and (8s) and passed through to shareholders.

NOTE: NOTE: Par. (g) is shown as affected by Acts of the 2009 Wisconsin Legislature and as merged by the legislative reference bureau under s. 13.92 (2) (4). The cross-reference to s. 71.28 (3rn) was changed from s. 71.28 (3km) by the legislative reference bureau under s. 13.92 (1) (bm) 2. to reflect the renumbering of s. 71.28 (3rn), as created by 2009 Wis. Act 295, under s. 13.92 (1) (bm) 2. NOTE:

History: 1987 a. 312; 1987 a. 411 ss. 18, 23, 146; 1989 a. 31, 336; 1991 a. 39, 269; 1993 a. 16, 437; 1995 a. 27, 380, 428; 1997 a. 27, 37, 237; 1999 a. 9, 194; 2001 a. 16, 109; 2003 a. 33, 99, 135, 255, 326; 2005 a. 25, 49, 74, 361, 479, 483; 2007 a. 20, 96, 226; 2009 a. 2, 28, 161, 183, 265, 269, 295, 332; s. 13.92 (1) (bm) 2., (2) (i).

8

SECTION ~~#~~ 71.45 (2) (a) 10. of the statutes, as affected by 2011 Wisconsin Act

9 ~~3~~ ... (Assembly Bill 40) is amended to read:

10 71.45 (2) (a) 10. By adding to federal taxable income the amount of credit  
11 computed under s. 71.47 (1dd) to (1dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn),  
12 (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5n), (5r), (5rm), (8r), (8s), and (9s) and not passed  
13 through by a partnership, limited liability company, or tax-option corporation that  
14 has added that amount to the partnership's, limited liability company's, or  
15 tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g) and the amount  
16 of credit computed under s. 71.47 (1), (3), (3t), (4), (4m), and (5).

History: 1987 a. 312; 1989 a. 31, 336, 359; 1991 a. 37, 39, 269; 1993 a. 16, 112, 263, 437; 1995 a. 27, 56, 371, 380; 1997 a. 27, 37, 237; 1999 a. 9, 65; 1999 a. 150 s. 672; 1999 a. 167, 194; 2001 a. 16, 38, 109; 2003 a. 37, 85, 99, 135, 255, 326; 2005 a. 74, 297, 335, 361, 479, 483; 2007 a. 20, 96, 226; 2009 a. 2, 28, 165, 205, 265, 269, 295, 332, 344; 2011 a. 3, 5.

9 - 11

, as affected by 2011 Wisconsin Act... (Assembly Bill 40),

17

SECTION ~~#~~ 77.92 (4) of the statutes is amended to read:

18

77.92 (4) "Net business income," with respect to a partnership, means taxable

19

income as calculated under section 703 of the Internal Revenue Code; plus the items

1 of income and gain under section 702 of the Internal Revenue Code, including taxable  
 2 state and municipal bond interest and excluding nontaxable interest income or  
 3 dividend income from federal government obligations; minus the items of loss and  
 4 deduction under section 702 of the Internal Revenue Code, except items that are not  
 5 deductible under s. 71.21; plus guaranteed payments to partners under section 707  
 6 (c) of the Internal Revenue Code; plus the credits claimed under s. 71.07 (2dd), (2de),  
 7 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r),  
 8 (3rm), (3rn), (3s), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), <sup>(5n)</sup>(5r), (5rm), and (8r),  
 9 and (8s); and plus or minus, as appropriate, transitional adjustments, depreciation  
 10 differences, and basis differences under s. 71.05 (13), (15), (16), (17), and (19); but  
 11 excluding income, gain, loss, and deductions from farming. "Net business income,"  
 12 with respect to a natural person, estate, or trust, means profit from a trade or  
 13 business for federal income tax purposes and includes net income derived as an  
 14 employee as defined in section 3121 (d) (3) of the Internal Revenue Code.

~~NOTE: NOTE: Sub. (4) is shown as affected by 4 acts of the 2009 Wisconsin Legislature and as merged by the legislative reference bureau under s. 13.92 (2) (i). The cross-reference to s. 71.07 (3rn) was changed from s. 71.07 (3rm) by the legislative reference bureau under s. 13.92 (4) (bm) 2. to reflect the renumbering of s. 71.07 (3rn), as created by 2009 Wis. Act 295, under s. 13.92 (1) (bm) 2. NOTE:~~  
 History: 1989 a. 335; 1991 a. 39, 269; 1993 a. 16, 112, 490; 1995 a. 27, 209; 1997 a. 27; 1999 a. 9; 2001 a. 16; 2003 a. 99, 135, 255, 326; 2005 a. 74, 361, 479, 483; 2007 a. 20, 96; 2009 a. 2, 28, 265, 269, 295, 332; s. 13.92 (1) (bm) 2., (2) (i).

ASSEMBLY BILL 235

(3) (b)

*of revenue children*

1 (4) The department, in consultation with the department of revenue and the  
2 department of ~~health and family services~~ <sup>health services</sup>, shall promulgate rules to administer this  
3 section.

SECTION 14. Initial applicability.

(1) This act first applies to taxable years beginning on January 1, 2008.

(END)

*2012*

**Kreye, Joseph**

---

**From:** Nelson, Elise

**Sent:** Thursday, June 30, 2011 10:10 AM

**To:** Kreye, Joseph

**Subject:** Submitted: LRB 11-2220/1 Topic: Workplace wellness tax credits?body=

Joe,

Could we have DHS certify a workplace wellness program but have DOR implement the credit, please?

Please give me a call if you have questions.

Thanks,

**Elise Nelson**

Office of Sen. Terry Moulton

23rd Senate District

608.266.7511

6/30/2011



State of Wisconsin  
2011 - 2012 LEGISLATURE



LRB-2220/A

JK:wlj:md

stays

RMR

2011 BILL

in 6-30-11

SOON

Regen

1 AN ACT ~~to amend~~ 71.05 (6) (a) 15., 71.21 (4), 71.26 (2) (a) 4., 71.34 (1k) (g), 71.45  
 2 (2) (a) 10. and 77.92 (4); and **to create** 71.07 (8s), 71.10 (4) (cf), 71.28 (8s), 71.30  
 3 (3) (cf), 71.47 (8s), 71.49 (1) (cf) and 73.15 of the statutes; **relating to:** an income  
 4 and franchise tax credit for workplace wellness programs, granting  
 5 rule-making authority, and requiring the exercise of rule-making authority.

**Analysis by the Legislative Reference Bureau**

This bill creates an income and franchise tax credit for workplace wellness programs. The amount of the credit is equal to 30 percent of the amount that an employer pays in the taxable year to provide a workplace wellness program to any of the employer's employees who are employed in this state. A workplace wellness program is a health or fitness program, as defined by administrative rule by the Department of Revenue, that is provided with health risk assessments.

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:**

6 SECTION 1. 71.05 (6) (a) 15. of the statutes, as affected by 2011 Wisconsin Act  
 7 .... (Assembly Bill 40) is amended to read:

32

## BILL

1           71.05 (6) (a) 15. The amount of the credits computed under s. 71.07 (2dd), (2de),  
2           (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r),  
3           (3rm), (3rn), (3s), (3t), (3w), (5e), (5f), (5h), (5i), (5j), (5k), (5n), (5r), (5rm), and (8r),  
4           and (8s) and not passed through by a partnership, limited liability company, or  
5           tax-option corporation that has added that amount to the partnership's, company's,  
6           or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g).

7           **SECTION 2.** 71.07 (8s) of the statutes is created to read:

8           71.07 (8s) WORKPLACE WELLNESS PROGRAM CREDIT. (a) *Definitions.* In this  
9           subsection:

10           1. "Claimant" means a person who files a claim under this subsection.

11           2. "Health risk assessment" means a computer-based health-promotion tool  
12           consisting of a questionnaire; a biometric health screening to measure vital health  
13           statistics, including blood pressure, cholesterol, glucose, weight, and height; a  
14           formula for estimating health risks; an advice database; and a means to generate  
15           reports.

16           3. "Workplace wellness program" means a health or fitness program, as defined  
17           by rule, under s. 73.15 (3), and includes health risk assessments and the following  
18           programs or services:

19           a. Smoking cessation.

20           b. Weight management.

21           c. Stress management.

22           d. Worker injury prevention programs.

23           e. Health screenings.

24           f. Nutrition education.

25           g. Health or fitness incentive programs.

**BILL**

1           (b) *Filing claims.* Subject to the limitations provided in this subsection and s.  
2           73.15, a claimant may claim as a credit against the taxes imposed under s. 71.02, up  
3           to the amount of those taxes, in each taxable year for 3 years, an amount that is equal  
4           to 30 percent of the amount that the claimant paid in the taxable year to provide a  
5           workplace wellness program to any of the claimant's employees who are employed  
6           in this state, not including any amount paid to acquire, construct, rehabilitate,  
7           remodel, or repair real property.

8           (c) *Limitations.* 1. Except as provided in s. 73.15 (2), the maximum amount  
9           of the credits that may be claimed under this subsection and ss. 71.28 (8s) and 71.47  
10          (8s) in any taxable year is \$2,500,000 for all claimants who employ 50 or fewer  
11          employees in the taxable year and \$2,500,000 for all claimants who employ more  
12          than 50 employees in the taxable year.

13          2. Partnerships, limited liability companies, and tax-option corporations may  
14          not claim the credit under this subsection, but the eligibility for, and the amount of,  
15          the credit are based on their payment of amounts under par. (b). A partnership,  
16          limited liability company, or tax-option corporation shall compute the amount of  
17          credit that each of its partners, members, or shareholders may claim and shall  
18          provide that information to each of them. Partners, members of limited liability  
19          companies, and shareholders of tax-option corporations may claim the credit in  
20          proportion to their ownership interests.

21          (d) *Administration.* Section 71.28 (4) (e) to (h), as it applies to the credit under  
22          s. 71.28 (4), applies to the credit under this subsection.

23          **SECTION 3.** 71.10 (4) (cf) of the statutes is created to read:

24          71.10 (4) (cf) Workplace wellness program credit under s. 71.07 (8s).

**BILL****SECTION 4**

1           **SECTION 4.** 71.21 (4) of the statutes, as affected by 2011 Wisconsin Act ...  
2 (Assembly Bill 40), is amended to read:

3           71.21 (4) Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),  
4 (2dj), (2dL), (2dm), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s),  
5 (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5n), (5r), (5rm), ~~and (8r), and (8s)~~ and  
6 passed through to partners shall be added to the partnership's income.

7           **SECTION 5.** 71.26 (2) (a) 4. of the statutes, as affected by 2011 Wisconsin Act ...  
8 (Assembly Bill 40) <sup>32</sup> is amended to read:

9           71.26 (2) (a) 4. Plus the amount of the credit computed under s. 71.28 (1dd),  
10 (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy), (3g), (3h), (3n), (3p), (3q), (3r),  
11 (3rm), (3rn), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5n), (5r), (5rm), (8r), (8s),  
12 and (9s) and not passed through by a partnership, limited liability company, or  
13 tax-option corporation that has added that amount to the partnership's, limited  
14 liability company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k)  
15 (g).

16           **SECTION 6.** 71.28 (8s) of the statutes is created to read:

17           71.28 (8s) **WORKPLACE WELLNESS PROGRAM CREDIT.** (a) *Definitions.* In this  
18 subsection:

- 19           1. "Claimant" means a person who files a claim under this subsection.
- 20           2. "Health risk assessment" means a computer-based health-promotion tool  
21 consisting of a questionnaire; a biometric health screening to measure vital health  
22 statistics, including blood pressure, cholesterol, glucose, weight, and height; a  
23 formula for estimating health risks; an advice database; and a means to generate  
24 reports.

**BILL***certified*

1

3. "Workplace wellness program" means a health or fitness program, as defined

2

by rule under s. 73.15 (3), and includes health risk assessments and the following

3

programs or services:

4

a. Smoking cessation.

5

b. Weight management.

6

c. Stress management.

7

d. Worker injury prevention programs.

8

e. Health screenings.

9

f. Nutrition education.

10

g. Health or fitness incentive programs.

11

(b) *Filing claims.* Subject to the limitations provided in this subsection and s.

12

73.15, a claimant may claim as a credit against the taxes imposed under s. 71.23, up

13

to the amount of those taxes, in each taxable year for 3 years, an amount that is equal

14

to 30 percent of the amount that the claimant paid in the taxable year to provide a

15

workplace wellness program to any of the claimant's employees who are employed

16

in this state, not including any amount paid to acquire, construct, rehabilitate,

17

remodel, or repair real property.

18

(c) *Limitations.* 1. Except as provided in s. 73.15 (2), the maximum amount

19

of the credits that may be claimed under this subsection and ss. 71.07 (8s) and 71.47

20

(8s) in any taxable year is \$2,500,000 for all claimants who employ 50 or fewer

21

employees in the taxable year and \$2,500,000 for all claimants who employ more

22

than 50 employees in the taxable year.

23

2. Partnerships, limited liability companies, and tax-option corporations may

24

not claim the credit under this subsection, but the eligibility for, and the amount of,

25

the credit are based on their payment of amounts under par. (b). A partnership,

**BILL**

1 limited liability company, or tax-option corporation shall compute the amount of  
2 credit that each of its partners, members, or shareholders may claim and shall  
3 provide that information to each of them. Partners, members of limited liability  
4 companies, and shareholders of tax-option corporations may claim the credit in  
5 proportion to their ownership interests.

6 (d) *Administration.* Subsection (4) (e) to (h), as it applies to the credit under  
7 sub. (4), applies to the credit under this subsection.

8 **SECTION 7.** 71.30 (3) (cf) of the statutes is created to read:

9 71.30 (3) (cf) Workplace wellness program credit under s. 71.28 (8s).

10 **SECTION 8.** 71.34 (1k) (g) of the statutes, as affected by 2011 Wisconsin Act....

11 (Assembly Bill 40) is amended to read: 32

12 71.34 (1k) (g) An addition shall be made for credits computed by a tax-option  
13 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy),  
14 (3), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j),  
15 (5k), (5n), (5r), (5rm), and (8r), and (8s) and passed through to shareholders.

16 **SECTION 9.** 71.45 (2) (a) 10. of the statutes, as affected by 2011 Wisconsin Act

17 .... (Assembly Bill 40) is amended to read: 32

18 71.45 (2) (a) 10. By adding to federal taxable income the amount of credit  
19 computed under s. 71.47 (1dd) to (1dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn),  
20 (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5n), (5r), (5rm), (8r), (8s), and (9s) and not  
21 passed through by a partnership, limited liability company, or tax-option  
22 corporation that has added that amount to the partnership's, limited liability  
23 company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g) and  
24 the amount of credit computed under s. 71.47 (1), (3), (3t), (4), (4m), and (5).

25 **SECTION 10.** 71.47 (8s) of the statutes is created to read:

**BILL**

1           71.47 (8s) WORKPLACE WELLNESS PROGRAM CREDIT. (a) *Definitions*. In this  
2 subsection:

3           1. "Claimant" means a person who files a claim under this subsection.

4           2. "Health risk assessment" means a computer-based health-promotion tool  
5 consisting of a questionnaire; a biometric health screening to measure vital health  
6 statistics, including blood pressure, cholesterol, glucose, weight, and height; a  
7 formula for estimating health risks; an advice database; and a means to generate  
8 reports.

9           3. "Workplace wellness program" means a health or fitness program, as defined  
10 by rule under s. 73.15 (3), and includes health risk assessments and the following  
11 programs or services:

- 12           a. Smoking cessation.
- 13           b. Weight management.
- 14           c. Stress management.
- 15           d. Worker injury prevention programs.
- 16           e. Health screenings.
- 17           f. Nutrition education.
- 18           g. Health or fitness incentive programs.

19           (b) *Filing claims*. Subject to the limitations provided in this subsection and s.  
20 73.15, a claimant may claim as a credit against the taxes imposed under s. 71.43, up  
21 to the amount of those taxes, in each taxable year for 3 years, an amount that is equal  
22 to 30 percent of the amount that the claimant paid in the taxable year to provide a  
23 workplace wellness program to any of the claimant's employees who are employed  
24 in this state, not including any amount paid to acquire, construct, rehabilitate,  
25 remodel, or repair real property.

**BILL****SECTION 10**

1 (c) *Limitations.* 1. Except as provided in s. 73.15 (2), the maximum amount  
2 of the credits that may be claimed under this subsection and ss. 71.07 (5i) and 71.28  
3 (5i) in any taxable year is \$2,500,000 for all claimants who employ 50 or fewer  
4 employees in the taxable year and \$2,500,000 for all claimants who employ more  
5 than 50 employees in the taxable year.

6 2. Partnerships, limited liability companies, and tax-option corporations may  
7 not claim the credit under this subsection, but the eligibility for, and the amount of,  
8 the credit are based on their payment of amounts under par. (b). A partnership,  
9 limited liability company, or tax-option corporation shall compute the amount of  
10 credit that each of its partners, members, or shareholders may claim and shall  
11 provide that information to each of them. Partners, members of limited liability  
12 companies, and shareholders of tax-option corporations may claim the credit in  
13 proportion to their ownership interests.

14 (d) *Administration.* Section 71.28 (4) (e) to (h), as it applies to the credit under  
15 s. 71.28 (4), applies to the credit under this subsection.

16 **SECTION 11.** 71.49 (1) (cf) of the statutes is created to read:

17 71.49 (1) (cf) Workplace wellness program credit under s. 71.47 (8s).

18 **SECTION 12.** 73.15 of the statutes is created to read:

19 **73.15 Workplace wellness programs.** (1) The department of revenue shall  
20 implement a program to certify workplace wellness programs under ss. 71.07 (8s),  
21 71.28 (8s), and 71.47 (8s).

22 (2) If the department of ~~revenue~~ <sup>health services</sup> certifies a workplace wellness program under  
23 sub. (1), the department ~~shall determine~~ <sup>of revenue</sup> the amount of workplace wellness program  
24 credits to allocate to the business providing the workplace wellness program. The  
25 total amount of workplace wellness program credits allocated to businesses in any

and the department of health services

**BILL**

1 year may not exceed \$5,000,000. In any year, the department of revenue may not  
 2 allocate more than \$2,500,000 in credits to businesses with more than 50 employees,  
 3 and may not allocate more than \$2,500,000 in credits to businesses with 50 or fewer  
 4 employees, except that the department may increase the allocation to businesses  
 5 with 50 or fewer employees by the amount of any credits the department is not able  
 6 to allocate to businesses with 50 or more employees.

7 (3) The department of revenue, in consultation with the department of health  
 8 services, shall promulgate rules to administer this section.

9 **SECTION 13.** 77.92 (4) of the statutes, as affected by 2011 Wisconsin Act  
 10 (Assembly Bill 40) is amended to read: 32

11 77.92 (4) "Net business income," with respect to a partnership, means taxable  
 12 income as calculated under section 703 of the Internal Revenue Code; plus the items  
 13 of income and gain under section 702 of the Internal Revenue Code, including taxable  
 14 state and municipal bond interest and excluding nontaxable interest income or  
 15 dividend income from federal government obligations; minus the items of loss and  
 16 deduction under section 702 of the Internal Revenue Code, except items that are not  
 17 deductible under s. 71.21; plus guaranteed payments to partners under section 707  
 18 (c) of the Internal Revenue Code; plus the credits claimed under s. 71.07 (2dd), (2de),  
 19 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r),  
 20 (3rm), (3rn), (3s), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5n), (5r), (5rm), and  
 21 (8r), and (8s); and plus or minus, as appropriate, transitional adjustments,  
 22 depreciation differences, and basis differences under s. 71.05 (13), (15), (16), (17), and  
 23 (19); but excluding income, gain, loss, and deductions from farming. "Net business  
 24 income," with respect to a natural person, estate, or trust, means profit from a trade

**BILL**

**SECTION 13**

1 or business for federal income tax purposes and includes net income derived as an  
2 employee as defined in section 3121 (d) (3) of the Internal Revenue Code.

3 **SECTION 14. Initial applicability.**

4 (1) This act first applies to taxable years beginning on January 1, 2012.

5 (END)

**Kreye, Joseph**

---

**From:** Nelson, Elise  
**Sent:** Tuesday, July 19, 2011 4:41 PM  
**To:** Kreye, Joseph  
**Subject:** RE: Submitted: LRB 11-2220/1 Topic: Workplace wellness tax credits?body=Joe,

I know that we're now on 2220/2, but we have a few more changes to the draft.

1. There is a spelling error starting on page 2 In 12... "health" is misspelled following "biometric" every time this comes up in the draft.
2. Pg 2 In 17, following "risk assessments and" please add" one or more of the" before "following programs or services:"
3. The list of services (a-g) should expand to "h. health or fitness incentive programs, i. vaccinations, j. employee physicals"
4. Pg 8 In 21 following "well ness programs" please insert "developed by the business or independent provider" before "under ss. 71.07..."

Thanks, Joe

Elise

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**From:** Kreye, Joseph  
**Sent:** Thursday, June 30, 2011 10:34 AM  
**To:** Nelson, Elise .  
**Subject:** RE: Submitted: LRB 11-2220/1 Topic: Workplace wellness tax credits?body=

Will do.

**Joseph Kreye**  
**Senior Legislative Attorney**  
Legislative Reference Bureau  
608 266-2263

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**From:** Nelson, Elise  
**Sent:** Thursday, June 30, 2011 10:10 AM  
**To:** Kreye, Joseph  
**Subject:** Submitted: LRB 11-2220/1 Topic: Workplace wellness tax credits?body=

Joe,

Could we have DHS certify a workplace wellness program but have DOR implement the credit, please?

Please give me a call if you have questions.

Thanks,

7/20/2011

**Elise Nelson**  
Office of Sen. Terry Moulton  
23rd Senate District  
608.266.7511



State of Wisconsin  
2011 - 2012 LEGISLATURE



LRB-2220/2  
JK:wlj:jf

3  
stays RMR

2011 BILL

in used 7-20

SOON

Regen

1 AN ACT ~~to amend~~ 71.05 (6) (a) 15., 71.21 (4), 71.26 (2) (a) 4., 71.34 (1k) (g), 71.45  
2 (2) (a) 10. and 77.92 (4); and **to create** 71.07 (8s), 71.10 (4) (cf), 71.28 (8s), 71.30  
3 (3) (cf), 71.47 (8s), 71.49 (1) (cf) and 73.15 of the statutes; **relating to:** an income  
4 and franchise tax credit for workplace wellness programs, granting  
5 rule-making authority, and requiring the exercise of rule-making authority.

**Analysis by the Legislative Reference Bureau**

This bill creates an income and franchise tax credit for workplace wellness programs. The amount of the credit is equal to 30 percent of the amount that an employer pays in the taxable year to provide a workplace wellness program to any of the employer's employees who are employed in this state. A workplace wellness program is a health or fitness program, as defined by administrative rule by the Department of Revenue, that is provided with health risk assessments.

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:**

6 SECTION 1. 71.05 (6) (a) 15. of the statutes, as affected by 2011 Wisconsin Act  
7 32, is amended to read:

**BILL**

1 71.05 (6) (a) 15. The amount of the credits computed under s. 71.07 (2dd), (2de),  
2 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r),  
3 (3rm), (3rn), (3s), (3t), (3w), (5e), (5f), (5h), (5i), (5j), (5k), (5n), (5r), (5rm), and (8r),  
4 and (8s) and not passed through by a partnership, limited liability company, or  
5 tax-option corporation that has added that amount to the partnership's, company's,  
6 or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g).

7 **SECTION 2.** 71.07 (8s) of the statutes is created to read:

8 71.07 (8s) WORKPLACE WELLNESS PROGRAM CREDIT. (a) *Definitions.* In this  
9 subsection:

10 1. "Claimant" means a person who files a claim under this subsection.

health

11 2. "Health risk assessment" means a computer-based health-promotion tool  
12 consisting of a questionnaire; a biometric health screening to measure vital health  
13 statistics, including blood pressure, cholesterol, glucose, weight, and height; a  
14 formula for estimating health risks; an advice database; and a means to generate  
15 reports.

16 3. "Workplace wellness program" means a health or fitness program certified  
17 under s. 73.15 (3), and includes health risk assessments and the following programs  
18 or services:

one or more of

- 19 a. Smoking cessation.
- 20 b. Weight management.
- 21 c. Stress management.
- 22 d. Worker injury prevention programs.
- 23 e. Health screenings.
- 24 f. Nutrition education.
- 25 g. Health or fitness incentive programs.

- h. vaccinations
- i. employee physical examinations

**BILL**

1           (b) *Filing claims.* Subject to the limitations provided in this subsection and s.  
2           73.15, a claimant may claim as a credit against the taxes imposed under s. 71.02, up  
3           to the amount of those taxes, in each taxable year for 3 years, an amount that is equal  
4           to 30 percent of the amount that the claimant paid in the taxable year to provide a  
5           workplace wellness program to any of the claimant's employees who are employed  
6           in this state, not including any amount paid to acquire, construct, rehabilitate,  
7           remodel, or repair real property.

8           (c) *Limitations.* 1. Except as provided in s. 73.15 (2), the maximum amount  
9           of the credits that may be claimed under this subsection and ss. 71.28 (8s) and 71.47  
10          (8s) in any taxable year is \$2,500,000 for all claimants who employ 50 or fewer  
11          employees in the taxable year and \$2,500,000 for all claimants who employ more  
12          than 50 employees in the taxable year.

13          2. Partnerships, limited liability companies, and tax-option corporations may  
14          not claim the credit under this subsection, but the eligibility for, and the amount of,  
15          the credit are based on their payment of amounts under par. (b). A partnership,  
16          limited liability company, or tax-option corporation shall compute the amount of  
17          credit that each of its partners, members, or shareholders may claim and shall  
18          provide that information to each of them. Partners, members of limited liability  
19          companies, and shareholders of tax-option corporations may claim the credit in  
20          proportion to their ownership interests.

21          (d) *Administration.* Section 71.28 (4) (e) to (h), as it applies to the credit under  
22          s. 71.28 (4), applies to the credit under this subsection.

23          **SECTION 3.** 71.10 (4) (cf) of the statutes is created to read:

24          71.10 (4) (cf) Workplace wellness program credit under s. 71.07 (8s).

**BILL**

1           **SECTION 4.** 71.21 (4) of the statutes, as affected by 2011 Wisconsin Act ...  
 2 (Assembly Bill 40), is amended to read:

3           71.21 (4) Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),  
 4 (2dj), (2dL), (2dm), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s),  
 5 (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5n), (5r), (5rm), ~~and (8r)~~, and (8s) and  
 6 passed through to partners shall be added to the partnership's income.

7           **SECTION 5.** 71.26 (2) (a) 4. of the statutes, as affected by 2011 Wisconsin Act 32,  
 8 is amended to read:

9           71.26 (2) (a) 4. Plus the amount of the credit computed under s. 71.28 (1dd),  
 10 (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy), (3g), (3h), (3n), (3p), (3q), (3r),  
 11 (3rm), (3rn), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5n), (5r), (5rm), (8r), (8s),  
 12 and (9s) and not passed through by a partnership, limited liability company, or  
 13 tax-option corporation that has added that amount to the partnership's, limited  
 14 liability company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k)  
 15 (g).

16           **SECTION 6.** 71.28 (8s) of the statutes is created to read:

17           71.28 (8s) **WORKPLACE WELLNESS PROGRAM CREDIT.** (a) *Definitions.* In this  
 18 subsection:

19           1. "Claimant" means a person who files a claim under this subsection.

20           2. "Health risk assessment" means a computer-based health-promotion tool  
 21 consisting of a questionnaire; a biometric health screening to measure vital health  
 22 statistics, including blood pressure, cholesterol, glucose, weight, and height; a  
 23 formula for estimating health risks; an advice database; and a means to generate  
 24 reports.

**BILL**

1           3. "Workplace wellness program" means a health or fitness program certified  
2 under s. 73.15 (3), and includes health risk assessments and the following programs  
3 or services:

one or more of

- 4           a. Smoking cessation.
- 5           b. Weight management.
- 6           c. Stress management.
- 7           d. Worker injury prevention programs.
- 8           e. Health screenings.
- 9           f. Nutrition education.
- 10          g. Health or fitness incentive programs.

11           (b) *Filing claims.* Subject to the limitations provided in this subsection and s.  
12 73.15, a claimant may claim as a credit against the taxes imposed under s. 71.23, up  
13 to the amount of those taxes, in each taxable year for 3 years, an amount that is equal  
14 to 30 percent of the amount that the claimant paid in the taxable year to provide a  
15 workplace wellness program to any of the claimant's employees who are employed  
16 in this state, not including any amount paid to acquire, construct, rehabilitate,  
17 remodel, or repair real property.

18           (c) *Limitations.* 1. Except as provided in s. 73.15 (2), the maximum amount  
19 of the credits that may be claimed under this subsection and ss. 71.07 (8s) and 71.47  
20 (8s) in any taxable year is \$2,500,000 for all claimants who employ 50 or fewer  
21 employees in the taxable year and \$2,500,000 for all claimants who employ more  
22 than 50 employees in the taxable year.

23           2. Partnerships, limited liability companies, and tax-option corporations may  
24 not claim the credit under this subsection, but the eligibility for, and the amount of,  
25 the credit are based on their payment of amounts under par. (b). A partnership,

h. Vaccinations  
i. Employee physical examinations

**BILL****SECTION 6**

1 limited liability company, or tax-option corporation shall compute the amount of  
2 credit that each of its partners, members, or shareholders may claim and shall  
3 provide that information to each of them. Partners, members of limited liability  
4 companies, and shareholders of tax-option corporations may claim the credit in  
5 proportion to their ownership interests.

6 (d) *Administration.* Subsection (4) (e) to (h), as it applies to the credit under  
7 sub. (4), applies to the credit under this subsection.

8 **SECTION 7.** 71.30 (3) (cf) of the statutes is created to read:

9 71.30 (3) (cf) Workplace wellness program credit under s. 71.28 (8s).

10 **SECTION 8.** 71.34 (1k) (g) of the statutes, as affected by 2011 Wisconsin Act 32,  
11 is amended to read:

12 71.34 (1k) (g) An addition shall be made for credits computed by a tax-option  
13 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy),  
14 (3), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j),  
15 (5k), (5n), (5r), (5rm), ~~and (8r), and (8s)~~ and passed through to shareholders.

16 **SECTION 9.** 71.45 (2) (a) 10. of the statutes, as affected by 2011 Wisconsin Act  
17 32, is amended to read:

18 71.45 (2) (a) 10. By adding to federal taxable income the amount of credit  
19 computed under s. 71.47 (1dd) to (1dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn),  
20 (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5n), (5r), (5rm), (8r), ~~(8s)~~, and (9s) and not  
21 passed through by a partnership, limited liability company, or tax-option  
22 corporation that has added that amount to the partnership's, limited liability  
23 company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g) and  
24 the amount of credit computed under s. 71.47 (1), (3), (3t), (4), (4m), and (5).

25 **SECTION 10.** 71.47 (8s) of the statutes is created to read:

**BILL**

1           71.47 (8s) WORKPLACE WELLNESS PROGRAM CREDIT. (a) *Definitions.* In this  
2 subsection:

3           1. "Claimant" means a person who files a claim under this subsection.

health

4           2. "Health risk assessment" means a computer-based health-promotion tool  
5 consisting of a questionnaire; a biometric health screening to measure vital health  
6 statistics, including blood pressure, cholesterol, glucose, weight, and height; a  
7 formula for estimating health risks; an advice database; and a means to generate  
8 reports.

9           3. "Workplace wellness program" means a health or fitness program certified  
10 under s. 73.15 (3), and includes health risk assessments and the following programs  
11 or services:

one or more of

- 12           a. Smoking cessation.
- 13           b. Weight management.
- 14           c. Stress management.
- 15           d. Worker injury prevention programs.
- 16           e. Health screenings.
- 17           f. Nutrition education.
- 18           g. Health or fitness incentive programs.

19           (b) *Filing claims.* Subject to the limitations provided in this subsection and s.  
20 73.15, a claimant may claim as a credit against the taxes imposed under s. 71.43, up  
21 to the amount of those taxes, in each taxable year for 3 years, an amount that is equal  
22 to 30 percent of the amount that the claimant paid in the taxable year to provide a  
23 workplace wellness program to any of the claimant's employees who are employed  
24 in this state, not including any amount paid to acquire, construct, rehabilitate,  
25 remodel, or repair real property.

h. Vaccinations  
i. Employee physical examinations

**BILL****SECTION 10**

1 (c) *Limitations.* 1. Except as provided in s. 73.15 (2), the maximum amount  
2 of the credits that may be claimed under this subsection and ss. 71.07 (5i) and 71.28  
3 (5i) in any taxable year is \$2,500,000 for all claimants who employ 50 or fewer  
4 employees in the taxable year and \$2,500,000 for all claimants who employ more  
5 than 50 employees in the taxable year.

6 2. Partnerships, limited liability companies, and tax-option corporations may  
7 not claim the credit under this subsection, but the eligibility for, and the amount of,  
8 the credit are based on their payment of amounts under par. (b). A partnership,  
9 limited liability company, or tax-option corporation shall compute the amount of  
10 credit that each of its partners, members, or shareholders may claim and shall  
11 provide that information to each of them. Partners, members of limited liability  
12 companies, and shareholders of tax-option corporations may claim the credit in  
13 proportion to their ownership interests.

14 (d) *Administration.* Section 71.28 (4) (e) to (h), as it applies to the credit under  
15 s. 71.28 (4), applies to the credit under this subsection.

16 **SECTION 11.** 71.49 (1) (cf) of the statutes is created to read:

17 71.49 (1) (cf) Workplace wellness program credit under s. 71.47 (8s).

18 **SECTION 12.** 73.15 of the statutes is created to read:

19 **73.15 Workplace wellness programs.** (1) The department of revenue and  
20 the department of health services shall implement a program to certify workplace  
21 wellness programs under ss. 71.07 (8s), 71.28 (8s), and 71.47 (8s).

22 (2) If the department of health services certifies a workplace wellness program  
23 under sub. (1), the department of revenue shall determine the amount of workplace  
24 wellness program credits to allocate to the business providing the workplace  
25 wellness program. The total amount of workplace wellness program credits

developed by a business or independent provider  
as described

**BILL**

1 allocated to businesses in any year may not exceed \$5,000,000. In any year, the  
2 department of revenue may not allocate more than \$2,500,000 in credits to  
3 businesses with more than 50 employees, and may not allocate more than \$2,500,000  
4 in credits to businesses with 50 or fewer employees, except that the department may  
5 increase the allocation to businesses with 50 or fewer employees by the amount of  
6 any credits the department is not able to allocate to businesses with 50 or more  
7 employees.

8 (3) The department of revenue and the department of health services shall  
9 promulgate rules to administer this section.

10 **SECTION 13.** 77.92 (4) of the statutes, as affected by 2011 Wisconsin Act 32, is  
11 amended to read:

12 77.92 (4) "Net business income," with respect to a partnership, means taxable  
13 income as calculated under section 703 of the Internal Revenue Code; plus the items  
14 of income and gain under section 702 of the Internal Revenue Code, including taxable  
15 state and municipal bond interest and excluding nontaxable interest income or  
16 dividend income from federal government obligations; minus the items of loss and  
17 deduction under section 702 of the Internal Revenue Code, except items that are not  
18 deductible under s. 71.21; plus guaranteed payments to partners under section 707  
19 (c) of the Internal Revenue Code; plus the credits claimed under s. 71.07 (2dd), (2de),  
20 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r),  
21 (3rm), (3rn), (3s), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5n), (5r), (5rm), ~~and~~  
22 (8r), ~~and~~ (8s); and plus or minus, as appropriate, transitional adjustments,  
23 depreciation differences, and basis differences under s. 71.05 (13), (15), (16), (17), and  
24 (19); but excluding income, gain, loss, and deductions from farming. "Net business  
25 income," with respect to a natural person, estate, or trust, means profit from a trade

**BILL**

**SECTION 13**

1 or business for federal income tax purposes and includes net income derived as an  
2 employee as defined in section 3121 (d) (3) of the Internal Revenue Code.

3 **SECTION 14. Initial applicability.**

4 (1) This act first applies to taxable years beginning on January 1, 2012.

5 (END)

**Parisi, Lori**

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**From:** Nelson, Elise

**Sent:** Wednesday, July 27, 2011 2:56 PM

**To:** LRB.Legal

**Subject:** Draft Review: LRB 11-2220/3 Topic: Workplace wellness tax credits

Please Jacket LRB 11-2220/3 for the SENATE.

7/27/2011