



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-2003/1
JK:wlj

2017 ASSEMBLY BILL 84

February 24, 2017 - Introduced by Representatives C. TAYLOR, MILROY, HORLACHER, MASON, ANDERSON, GOYKE, OHNSTAD, RIEMER, KOLSTE, POPE, CONSIDINE, SINICKI, FIELDS, ZAMARRIPA, SARGENT, SPREITZER, HESSELBEIN, BERCEAU, BILLINGS and SUBECK, cosponsored by Senators BEWLEY, WIRCH, HANSEN, JOHNSON, CARPENTER, RISSER, SHILLING, RINGHAND, C. LARSON and VINEHOUT. Referred to Committee on Jobs and the Economy.

1 **AN ACT to create** 71.05 (6) (a) 29., 71.21 (6), 71.26 (3) (e) 4., 71.34 (1k) (o) and
2 71.45 (2) (a) 20. of the statutes; **relating to:** eliminating deductions for moving
3 expenses for businesses that move out of the state or out of the United States.

Analysis by the Legislative Reference Bureau

Under current law, a business may deduct from its income or franchise tax liability all expenses that the business paid to move its operations from one location to another, including expenses paid to relocate outside the state. Under this bill, a business may not deduct expenses paid to move outside the state or outside the United States.

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:

4 **SECTION 1.** 71.05 (6) (a) 29. of the statutes is created to read:
5 71.05 (6) (a) 29. The amount deducted under section 162 of the Internal
6 Revenue Code as expenses paid or incurred during the taxable year to move the

ASSEMBLY BILL 84**SECTION 1**

1 taxpayer's business operation, in whole or in part, to a location outside the state or
2 outside the United States.

3 **SECTION 2.** 71.21 (6) of the statutes is created to read:

4 71.21 (6) A deduction under section 162 of the Internal Revenue Code for
5 expenses paid or incurred during the taxable year to move the taxpayer's business
6 operation, in whole or in part, to a location outside the state or outside the United
7 States is not allowed.

8 **SECTION 3.** 71.26 (3) (e) 4. of the statutes is created to read:

9 71.26 (3) (e) 4. So that expenses paid or incurred during the taxable year to
10 move the taxpayer's business operation, in whole or in part, to a location outside the
11 state or outside the United States may not be deducted as provided under section 162
12 of the Internal Revenue Code.

13 **SECTION 4.** 71.34 (1k) (o) of the statutes is created to read:

14 71.34 (1k) (o) An addition shall be made for any amount deducted under section
15 162 of the Internal Revenue Code as expenses paid or incurred during the taxable
16 year to move the taxpayer's business operation, in whole or in part, to a location
17 outside the state or outside the United States.

18 **SECTION 5.** 71.45 (2) (a) 20. of the statutes is created to read:

19 71.45 (2) (a) 20. By adding to federal taxable income any amount deducted
20 under section 162 of the Internal Revenue Code as expenses paid or incurred during
21 the taxable year to move the taxpayer's business operation, in whole or in part, to a
22 location outside the state or outside the United States.

23 **SECTION 6. Initial applicability.**

24 (1) This act first applies to taxable years beginning on January 1, 2017.

25

(END)