

**2019 Assembly Bill 10 (LRB -1357)**

An Act to create 71.01 (8j), 71.05 (6) (a) 29., 71.21 (7), 71.26 (3) (e) 4., 71.34 (1k) (o) and 71.45 (2) (a) 20. of the statutes; relating to: eliminating deductions for moving expenses for businesses that move out of the state or out of the United States. (FE)

**2019**

02-08.	A.	Introduced by Representatives <b>Neylon, C. Taylor, Steffen, Zamarripa, Anderson, Brooks, Doyle, Fields, Gundrum, Hebl, Horlacher, Kolste, Kuglitsch, Ohnstad, Quinn, Riemer, Sargent, Shankland, Sinicki, Skowronski, Spreitzer, Tauchen, Thiesfeldt, Tittl, Vruwink, Zimmerman, Subeck and Neubauer</b> ; cosponsored by Senators <b>Feyen, Bewley, Carpenter, Cowles, Darling, Erpenbach, Jacque, Johnson, Larson, Marklein, Olsen, Ringhand, Risser, Schachtner, Smith, Wanggaard and Wirch.</b> .....	35
02-08.	A.	Read first time and referred to Committee on Federalism and Interstate Relations .....	35
02-11.	A.	Fiscal estimate received .....	
02-19.	A.	Assembly Amendment 1 offered by Representative Neylon ( <b>LRB a0068</b> ) .....	47
02-27.	A.	Representative Ramthun added as a coauthor .....	52
03-06.	A.	Public hearing held .....	
03-07.	A.	Representative Brostoff added as a coauthor .....	63
03-20.	A.	Executive action taken .....	
04-02.	A.	Representative Bowen added as a coauthor .....	84
04-03.	A.	Report Assembly Amendment 1 adoption recommended by Committee on Federalism and Interstate Relations, Ayes 4, Noes 0 .....	86
04-03.	A.	Report passage as amended recommended by Committee on Federalism and Interstate Relations, Ayes 6, Noes 0 .....	87
04-03.	A.	Referred to committee on Rules .....	87
04-04.	A.	Placed on calendar 4-9-2019 by Committee on Rules .....	
04-08.	A.	Representatives Vining and Edming added as coauthors .....	92
04-09.	A.	Read a second time .....	99
04-09.	A.	Referred to joint committee on Finance .....	99
04-09.	A.	Withdrawn from joint committee on Finance and taken up .....	99
04-09.	A.	Assembly Amendment 1 <b>adopted</b> .....	99
04-09.	A.	Ordered to a third reading .....	99
04-09.	A.	Rules suspended .....	99
04-09.	A.	Read a third time and <b>passed</b> .....	99
04-09.	A.	Ordered immediately messaged .....	99
04-10.	S.	Received from Assembly .....	152
04-18.	S.	Read first time and referred to committee on Agriculture, Revenue and Financial Institutions .....	161
05-01.	S.	Executive action taken .....	
05-01.	S.	Report concurrence recommended by Committee on Agriculture, Revenue and Financial Institutions, Ayes 9, Noes 0 .....	174
05-01.	S.	Available for scheduling .....	
05-10.	S.	Public hearing requirement waived by committee on Senate Organization, pursuant to Senate Rule 18 (1m), Ayes 5, Noes 0 .....	194
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05-15.	S.	Senators Hansen and L. Taylor added as cosponsors .....	
05-15.	S.	Read a second time .....	
05-15.	S.	Ordered to a third reading .....	
05-15.	S.	Rules suspended .....	
05-15.	S.	Read a third time and <b>concurred in</b> , Ayes 31, Noes 1 .....	
05-15.	S.	Ordered immediately messaged .....	
05-15.	A.	Received from Senate concurred in .....	

*AMB*



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**ENROLLED BILL**

**Adopted Documents**

Original       Engrossed       Substitute Amdt

19 -1357, 1

Amendments:  None or  Listed below.

AA 1

Corrections:  None or  Listed by date below.

Topic:  Same as relating clause or  Indicated below.

5/14/19

Date

Enrolling Drafter



State of Wisconsin  
2019 - 2020 LEGISLATURE

LRB-1357/1  
JK:amn&wlj

## 2019 ASSEMBLY BILL 10

February 8, 2019 - Introduced by Representatives NEYLON, C. TAYLOR, STEFFEN, ZAMARRIPA, ANDERSON, BROOKS, DOYLE, FIELDS, GUNDRUM, HEBL, HORLACHER, KOLSTE, KUGLITSCH, OHNSTAD, QUINN, RIEMER, SARGENT, SHANKLAND, SINICKI, SKOWRONSKI, SPREITZER, TAUCHEN, THIESFELDT, TITTL, VRUWINK, ZIMMERMAN, SUBECK and NEUBAUER, cosponsored by Senators FEYEN, BEWLEY, CARPENTER, COWLES, DARLING, ERPENBACH, JACQUE, JOHNSON, LARSON, MARKLEIN, OLSEN, RINGHAND, RISSER, SCHACHTNER, SMITH, WANGGAARD and WIRCH. Referred to Committee on Federalism and Interstate Relations.

1     **AN ACT to create** 71.01 (8j), 71.05 (6) (a) 29., 71.21 (7), 71.26 (3) (e) 4., 71.34 (1k)  
2           (o) and 71.45 (2) (a) 20. of the statutes; **relating to:** eliminating deductions for  
3           moving expenses for businesses that move out of the state or out of the United  
4           States.

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### *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.

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

5           **SECTION 1.** 71.01 (8j) of the statutes is created to read:  
6           71.01 (**8j**) For purposes of ss. 71.05 (6) (a) 29., 71.21 (7), 71.26 (3) (e) 4., 71.34  
7           (1k) (o), and 71.45 (2) (a) 20., “moving expenses” means all of the following:

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SECTION 1

- 1 (a) Vehicle rentals.
- 2 (b) Storage rentals.
- 3 (c) Moving company expenses for packing, unpacking, and transportation.
- 4 (d) Consulting fees and surveys.
- 5 (e) Brokerage commissions or fees.
- 6 (f) Architecture, design, and remodeling expenses.
- 7 (g) Expenses paid or incurred to sell property in this state.
- 8 (h) Loss on the sale of property in this state.
- 9 (i) Lease cancellation fees.
- 10 (j) Expenses paid or incurred for professional services, including legal services.
- 11 (k) Utility fees.
- 12 (L) Employee wages.
- 13 (m) Reimbursement of an employee's expenses.
- 14 (n) The cost of meals, lodging, and fuel.
- 15 (o) Mileage deductions for vehicle use.

SECTION 2. 71.05 (6) (a) 29. of the statutes is created to read:

17 71.05 (6) (a) 29. The amount deducted under the Internal Revenue Code as  
 18 moving expenses, as defined in s. 71.01 (8j), paid or incurred during the taxable year  
 19 to move the taxpayer's <sup>Wisconsin</sup> business operation, in whole or in part, to a location outside  
 20 the state or outside the United States. *to move the taxpayer's business operations*

SECTION 3. 71.21 (7) of the statutes is created to read:

22 71.21 (7) A deduction under the Internal Revenue Code for moving expenses,  
 23 as defined in s. 71.01 (8j), paid or incurred during the taxable year to move the  
 24 taxpayer's <sup>Wisconsin</sup> business operation, in whole or in part, to a location outside the state or  
 25 outside the United States is not allowed.

*to move the taxpayer's business operations*

AA1 #2

AA1 #1

AA1 #3

AA1 #4

**ASSEMBLY BILL 10**

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

2           71.26 (3) (e) 4. So that moving expenses, as defined in s. 71.01 (8j), paid or  
3 incurred during the taxable year to move the taxpayer's <sup>Wisconsin</sup> business operation, in whole  
4 or in part, to a location outside the state or ~~outside the United States may not be~~  
5 deducted as provided under the Internal Revenue Code. *to move the taxpayer's business operations*

AA1 #5  
AA1 #6

6           **SECTION 5.** 71.34 (1k) (o) of the statutes is created to read:

7           71.34 (1k) (o) An addition shall be made for any amount deducted under the  
8 Internal Revenue Code as moving expenses, as defined in s. 71.01 (8j), paid or  
9 incurred during the taxable year to move the taxpayer's <sup>Wisconsin</sup> business operation, in whole  
10 or in part, to a location outside the state or ~~outside the United States.~~

AA1 #7  
AA1 #8

11           **SECTION 6.** 71.45 (2) (a) 20. of the statutes is created to read:

12           71.45 (2) (a) 20. By adding to federal taxable income any amount deducted  
13 under the Internal Revenue Code as moving expenses, as defined in s. 71.01 (8j), paid  
14 or incurred during the taxable year to move the taxpayer's <sup>Wisconsin</sup> business operation, in  
15 whole or in part, to a location outside the state or ~~outside the United States.~~

AA1 #9  
AA1 #10

16           **SECTION 7. Initial applicability.**

17           (1) This act first applies to taxable years beginning on January 1, 2019.

18

(END)



State of Wisconsin  
2019 - 2020 LEGISLATURE

LRBa0068/1  
JK:cdc

**ASSEMBLY AMENDMENT 1,  
TO ASSEMBLY BILL 10**

February 19, 2019 - Offered by Representative NEYLON.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 2, line 19: after “taxpayer’s” insert “Wisconsin”. ✓

3 ✓ **2.** Page 2, line 20: after “or” insert “to move the taxpayer’s business  
4 operations”.

5 ✓ **3.** Page 2, line 24: after “taxpayer’s” insert “Wisconsin”.

6 ✓ **4.** Page 2, line 24: after “state or” insert “to move the taxpayer’s business  
7 operations”.

8 ✓ **5.** Page 3, line 3: after “taxpayer’s” insert “Wisconsin”.

9 ✓ **6.** Page 3, line 4: after “state or” insert “to move the taxpayer’s business  
10 operations”.

11 ✓ **7.** Page 3, line 9: after “taxpayer’s” insert “Wisconsin”.

