



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-1683/P1
MES:kjf

DOA:.....Dombrowski, BB0231 - Exempt from income taxation interest on certain WHEFA bonds

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; **relating to:** the budget.

Analysis by the Legislative Reference Bureau

TAXATION

INCOME TAXATION

This bill exempts from individual income and corporate income and franchise taxation interest earned on bonds or notes issued by WHEFA, provided that the bond or notes are issued in an amount totaling \$35,000,000 or less, and to the extent that the interest income is not otherwise exempt from taxation.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

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

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

SECTION 1. 71.05 (1) (c) 14. of the statutes is created to read:

71.05 (1) (c) 14. The Wisconsin Health and Educational Facilities Authority under s. 231.03 (6), if the bonds or notes are issued in an amount totaling \$35,000,000

or less, and to the extent that the interest income received is not otherwise exempt under this subsection.

SECTION 2. 71.26 (1m) (o) of the statutes is created to read:

71.26 **(1m)** (o) Those issued by the Wisconsin Health and Educational Facilities Authority under s. 231.03 (6), if the bonds or notes are issued in an amount totaling \$35,000,000 or less, and to the extent that the interest income received is not otherwise exempt under this subsection.

SECTION 3. 71.45 (1t) (n) of the statutes is created to read:

71.45 **(1t)** (n) Those issued by the Wisconsin Health and Educational Facilities Authority under s. 231.03 (6), if the bonds or notes are issued in an amount totaling \$35,000,000 or less, and to the extent that the interest income received is not otherwise exempt under this subsection.

SECTION 9337. Initial applicability; Revenue.

(1) WHEFA BONDS, TAX EXEMPTION. The treatment of ss. 71.05 (1) (c) 14., 71.26 (1m) (o), and 71.45 (1t) (n) first applies to taxable years beginning on January 1 of the year in which this subsection takes effect, except that if this subsection takes effect after July 31 the treatment of ss. 71.05 (1) (c) 14., 71.26 (1m) (o), and 71.45 (1t) (n) first applies to taxable years beginning on January 1 of the year following the year in which this subsection takes effect.

(END)