$\begin{array}{c} LRB-3945/2\\ MES:cjs\&jld:pg \end{array}$

2001 SENATE BILL 286

October 18, 2001 – Introduced by Senators Lazich, Breske, S. Fitzgerald, Grobschmidt, Hansen, Plache, Roessler, Schultz and Welch, cosponsored by Representatives Owens, Ainsworth, Albers, Boyle, Duff, Freese, J. Fitzgerald, Gronemus, Grothman, Gunderson, Gundrum, Hoven, Jeskewitz, Kestell, Krawczyk, Ladwig, La Fave, Lassa, Leibham, McCormick, Musser, Nass, Petrowski, Pettis, Ryba, Starzyk, Suder, Sykora and Turner. Referred to Joint survey committee on Tax Exemptions.

AN ACT *to create* 71.05 (6) (b) 34. of the statutes; **relating to:** creating an individual income tax exemption for pay received from the federal government by members of a reserve component of the armed forces participating in Operation Enduring Freedom.

Analysis by the Legislative Reference Bureau

This bill creates an individual income tax exemption for pay received from the federal government by a member of a reserve component of the armed forces participating in Operation Enduring Freedom. The exemption applies to a member of a reserve component of the armed forces who is activated for Operation Enduring Freedom, and applies to any amount of military pay received by the person from the federal government.

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to this bill.

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 1. 71.05 (6) (b) 34. of the statutes is created to read:

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71.05 (6) (b) 34. Any amount of basic, special, and incentive pay income or
compensation, as those terms are used in $37~\mathrm{USC}$ chapters 3 and 5 , received from the
federal government by a person who is a member of a reserve component of the U.S.
armed forces, as defined in 26 USC 7701 (a) (15), for services performed for Operation
Enduring Freedom. In this subdivision, "services performed for Operation Enduring
Freedom" means service in a unit of the U.S. armed forces if all of the following apply:
a. The person is activated for Operation Enduring Freedom.
h. The commission account during the named that there is in effect a designation by

b. The service occurs during the period that there is in effect a designation by the president of the United States that the service is part of Operation Enduring Freedom.

SECTION 2. Initial applicability.

(1) This act first applies to taxable years beginning on January 1, 2001.

13 (END)