



State of Wisconsin  
2023 - 2024 LEGISLATURE

LRB-1049/1  
KP:emw

## 2023 SENATE BILL 1

January 27, 2023 - Introduced by Senators LEMAHIEU, BALLWEG, BRADLEY, CABRAL-GUEVARA, FEYEN, JAMES, NASS, STROEBEL, TOMCZYK, HUTTON, KAPENGA and FELZKOWSKI, cosponsored by Representatives BROOKS, ALLEN, BODDEN, BRANDTJEN, DITTRICH, GUNDRUM, GUSTAFSON, KNODL, MAGNAFICI, MURPHY, PENTERMAN, RETTINGER, ROZAR, SPIROS, TUSLER, BEHNKE, SCHRAA, MOSES and DONOVAN. Referred to Committee on Universities and Revenue.

1     **AN ACT to repeal** 71.06 (1q), 71.06 (1r) (a), 71.06 (1r) (b), 71.06 (1r) (c), 71.06 (2)  
2           (i), 71.06 (2) (j), 71.06 (2) (k), 71.06 (2) (km), 71.06 (2) (L), 71.06 (2) (Lm), 71.06  
3           (2) (m), 71.06 (2) (mm), 71.06 (2e) (be), 71.06 (2e) (bm), 71.06 (2e) (bs), 71.06 (2s)  
4           (e), 71.06 (2s) (f), 71.06 (2s) (g) and 73.03 (71); **to renumber** 71.06 (1r) (d); **to**  
5           **amend** 71.06 (1q) (intro.), 71.06 (1r) (title), 71.06 (2) (i) (intro.), 71.06 (2) (j)  
6           (intro.), 71.06 (2e) (a), 71.06 (2e) (b), 71.06 (2m), 71.06 (2s) (d), 71.125 (1), 71.125  
7           (2), 71.17 (6), 71.64 (9) (b) (intro.), 71.67 (5) (a), 71.67 (5m), 73.03 (71) (c) 2. and  
8           73.03 (71) (d) 2.; and **to create** 71.06 (1r), 71.06 (2) (k), 71.06 (2) (km), 71.06 (2)  
9           (L), 71.06 (2) (Lm), 71.06 (2) (m), 71.06 (2) (mm), 71.06 (2) (n), 71.06 (2e) (be),  
10          71.06 (2e) (bm), 71.06 (2e) (bs), 71.06 (2s) (e), 71.06 (2s) (f) and 71.06 (2s) (g) of  
11          the statutes; **relating to:** establishing a flat individual income tax rate.

---

### ***Analysis by the Legislative Reference Bureau***

Under this bill, beginning in taxable year 2026, all individual taxpayers, regardless of their income, pay the individual income tax at the rate of 3.25 percent. In addition, for taxable years 2023 through 2025, the bill decreases individual income tax rates each year for each tax bracket.

**SENATE BILL 1**

Under current law, there are four income tax brackets for single individuals, certain fiduciaries, heads of households, and married persons, and the brackets are indexed for inflation. The rate of taxation under current law for the lowest bracket for single individuals, certain fiduciaries, heads of households, and married persons is 3.54 percent of taxable income. The rate for the second bracket is 4.65 percent. The rate for the third bracket is 5.3 percent. And the rate for the highest bracket is 7.65 percent. After bracket indexing for taxable year 2022, the four brackets for individuals, certain fiduciaries, and heads of households, to which the above rates apply, are as follows: 1) taxable income from \$0 to \$12,760; 2) taxable income exceeding \$12,760 but not exceeding \$25,520; 3) taxable income exceeding \$25,520 but not exceeding \$280,950; and 4) taxable income exceeding \$280,950.

The bill establishes the following rates of taxation for taxable year 2023:

1. For the lowest tax bracket, 3.47 percent.
2. For the second bracket, 4.3 percent.
3. For the third bracket, 4.79 percent.
4. For the highest bracket, 6.55 percent.

The bill establishes the following rates of taxation for taxable year 2024:

1. For the lowest tax bracket, 3.4 percent.
2. For the second bracket, 3.95 percent.
3. For the third bracket, 4.28 percent.
4. For the highest bracket, 5.45 percent.

The bill establishes the following rates of taxation for taxable year 2025:

1. For the lowest tax bracket, 3.32 percent.
2. For the second bracket, 3.6 percent.
3. For the third bracket, 3.76 percent.
4. For the highest bracket, 4.35 percent.

Under the bill, for taxable year 2026 and after, the rate of taxation is 3.25 percent for all taxable income. The bill also requires the Department of Revenue to update, by October 1 before the start of the applicable tax year, the individual income tax withholding tables to reflect the tax rates, brackets, and sliding scale standard deduction that are in effect for taxable years 2024, 2025, and 2026.

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:***

1           **SECTION 1.** 71.06 (1q) (intro.) of the statutes is amended to read:

**SENATE BILL 1****SECTION 1**

1           **71.06 (1q)** FIDUCIARIES, SINGLE INDIVIDUALS, AND HEADS OF HOUSEHOLDS; ~~AFTER~~  
2           ~~2012~~ 2013 TO 2022. (intro.) The tax to be assessed, levied, and collected upon the taxable  
3           incomes of all fiduciaries, except fiduciaries of nuclear decommissioning trust or  
4           reserve funds, and single individuals and heads of households shall be computed at  
5           the following rates for taxable years beginning after December 31, 2012, and before  
6           January 1, 2023:

7           **SECTION 2.** 71.06 (1q) of the statutes is repealed.

8           **SECTION 3.** 71.06 (1r) (title) of the statutes, as created by 2023 Wisconsin Act  
9           .... (this act), is amended to read:

10           **71.06 (1r)** (title) FIDUCIARIES, SINGLE INDIVIDUALS, AND HEADS OF HOUSEHOLDS;  
11           ~~AFTER 2022~~ 2025.

12           **SECTION 4.** 71.06 (1r) of the statutes is created to read:

13           **71.06 (1r)** FIDUCIARIES, SINGLE INDIVIDUALS, AND HEADS OF HOUSEHOLDS; ~~AFTER~~  
14           2022. (a) The tax to be assessed, levied, and collected upon the taxable incomes of all  
15           fiduciaries, except fiduciaries of nuclear decommissioning trust or reserve funds, and  
16           single individuals and heads of households shall be computed at the following rates  
17           for taxable years beginning after December 31, 2022, and before January 1, 2024:

18           1. On all taxable income from \$0 to \$7,500, 3.47 percent.

19           2. On all taxable income exceeding \$7,500 but not exceeding \$15,000, 4.30  
20           percent.

21           3. On all taxable income exceeding \$15,000 but not exceeding \$225,000, 4.79  
22           percent.

23           4. On all taxable income exceeding \$225,000, 6.55 percent.

24           (b) The tax to be assessed, levied, and collected upon the taxable incomes of all  
25           fiduciaries, except fiduciaries of nuclear decommissioning trust or reserve funds, and

**SENATE BILL 1****SECTION 4**

1 single individuals and heads of households shall be computed at the following rates  
2 for taxable years beginning after December 31, 2023, and before January 1, 2025:

- 3 1. On all taxable income from \$0 to \$7,500, 3.40 percent.
- 4 2. On all taxable income exceeding \$7,500 but not exceeding \$15,000, 3.95  
5 percent.
- 6 3. On all taxable income exceeding \$15,000 but not exceeding \$225,000, 4.28  
7 percent.
- 8 4. On all taxable income exceeding \$225,000, 5.45 percent.

9 (c) The tax to be assessed, levied, and collected upon the taxable incomes of all  
10 fiduciaries, except fiduciaries of nuclear decommissioning trust or reserve funds, and  
11 single individuals and heads of households shall be computed at the following rates  
12 for taxable years beginning after December 31, 2024, and before January 1, 2026:

- 13 1. On all taxable income from \$0 to \$7,500, 3.32 percent.
- 14 2. On all taxable income exceeding \$7,500 but not exceeding \$15,000, 3.60  
15 percent.
- 16 3. On all taxable income exceeding \$15,000 but not exceeding \$225,000, 3.76  
17 percent.
- 18 4. On all taxable income exceeding \$225,000, 4.35 percent.

19 (d) The tax to be assessed, levied, and collected upon the taxable incomes of all  
20 fiduciaries, except fiduciaries of nuclear decommissioning trust or reserve funds, and  
21 single individuals and heads of households shall be computed at the rate of 3.25  
22 percent for taxable years beginning after December 31, 2025.

23 **SECTION 5.** 71.06 (1r) (a) of the statutes, as created by 2023 Wisconsin Act ....  
24 (this act), is repealed.

**SENATE BILL 1**

1           **SECTION 6.** 71.06 (1r) (b) of the statutes, as created by 2023 Wisconsin Act ...  
2 (this act), is repealed.

3           **SECTION 7.** 71.06 (1r) (c) of the statutes, as created by 2023 Wisconsin Act ...  
4 (this act), is repealed.

5           **SECTION 8.** 71.06 (1r) (d) of the statutes, as created by 2023 Wisconsin Act ...  
6 (this act), is renumbered 71.06 (1r).

7           **SECTION 9.** 71.06 (2) (i) (intro.) of the statutes is amended to read:

8           71.06 (2) (i) (intro.) For joint returns, for taxable years beginning after  
9 December 31, 2012, and before January 1, 2023:

10           **SECTION 10.** 71.06 (2) (i) of the statutes is repealed.

11           **SECTION 11.** 71.06 (2) (j) (intro.) of the statutes is amended to read:

12           71.06 (2) (j) (intro.) For married persons filing separately, for taxable years  
13 beginning after December 31, 2012, and before January 1, 2023:

14           **SECTION 12.** 71.06 (2) (j) of the statutes is repealed.

15           **SECTION 13.** 71.06 (2) (k) of the statutes is created to read:

16           71.06 (2) (k) For joint returns, for taxable years beginning after December 31,  
17 2022, and before January 1, 2024:

18           1. On all taxable income from \$0 to \$10,000, 3.47 percent.

19           2. On all taxable income exceeding \$10,000 but not exceeding \$20,000, 4.30  
20 percent.

21           3. On all taxable income exceeding \$20,000 but not exceeding \$300,000, 4.79  
22 percent.

23           4. On all taxable income exceeding \$300,000, 6.55 percent.

24           **SECTION 14.** 71.06 (2) (k) of the statutes, as created by 2023 Wisconsin Act ...  
25 (this act), is repealed.

**SENATE BILL 1****SECTION 15**

1           **SECTION 15.** 71.06 (2) (km) of the statutes is created to read:

2           71.06 (2) (km) For married persons filing separately, for taxable years  
3 beginning after December 31, 2022, and before January 1, 2024:

4           1. On all taxable income from \$0 to \$5,000, 3.47 percent.

5           2. On all taxable income exceeding \$5,000 but not exceeding \$10,000, 4.30  
6 percent.

7           3. On all taxable income exceeding \$10,000 but not exceeding \$150,000, 4.79  
8 percent.

9           4. On all taxable income exceeding \$150,000, 6.55 percent.

10          **SECTION 16.** 71.06 (2) (km) of the statutes, as created by 2023 Wisconsin Act  
11 .... (this act), is repealed.

12          **SECTION 17.** 71.06 (2) (L) of the statutes is created to read:

13          71.06 (2) (L) For joint returns, for taxable years beginning after December 31,  
14 2023, and before January 1, 2025:

15          1. On all taxable income from \$0 to \$10,000, 3.40 percent.

16          2. On all taxable income exceeding \$10,000 but not exceeding \$20,000, 3.95  
17 percent.

18          3. On all taxable income exceeding \$20,000 but not exceeding \$300,000, 4.28  
19 percent.

20          4. On all taxable income exceeding \$300,000, 5.45 percent.

21          **SECTION 18.** 71.06 (2) (L) of the statutes, as created by 2023 Wisconsin Act ....  
22 (this act), is repealed.

23          **SECTION 19.** 71.06 (2) (Lm) of the statutes is created to read:

24          71.06 (2) (Lm) For married persons filing separately, for taxable years  
25 beginning after December 31, 2023, and before January 1, 2025:

**SENATE BILL 1**

- 1           1. On all taxable income from \$0 to \$5,000, 3.40 percent.
- 2           2. On all taxable income exceeding \$5,000 but not exceeding \$10,000, 3.95
- 3           percent.
- 4           3. On all taxable income exceeding \$10,000 but not exceeding \$150,000, 4.28
- 5           percent.
- 6           4. On all taxable income exceeding \$150,000, 5.45 percent.

7           **SECTION 20.** 71.06 (2) (Lm) of the statutes, as created by 2023 Wisconsin Act  
8           .... (this act), is repealed.

9           **SECTION 21.** 71.06 (2) (m) of the statutes is created to read:

10           71.06 (2) (m) For joint returns, for taxable years beginning after December 31,  
11           2024, and before January 1, 2026:

- 12           1. On all taxable income from \$0 to \$10,000, 3.32 percent.
- 13           2. On all taxable income exceeding \$10,000 but not exceeding \$20,000, 3.60
- 14           percent.
- 15           3. On all taxable income exceeding \$20,000 but not exceeding \$300,000, 3.76
- 16           percent.
- 17           4. On all taxable income exceeding \$300,000, 4.35 percent.

18           **SECTION 22.** 71.06 (2) (m) of the statutes, as created by 2023 Wisconsin Act ....  
19           (this act), is repealed.

20           **SECTION 23.** 71.06 (2) (mm) of the statutes is created to read:

21           71.06 (2) (mm) For married persons filing separately, for taxable years  
22           beginning after December 31, 2024, and before January 1, 2026:

- 23           1. On all taxable income from \$0 to \$5,000, 3.32 percent.
- 24           2. On all taxable income exceeding \$5,000 but not exceeding \$10,000, 3.60
- 25           percent.

**SENATE BILL 1****SECTION 23**

1           3. On all taxable income exceeding \$10,000 but not exceeding \$150,000, 3.76  
2 percent.

3           4. On all taxable income exceeding \$150,000, 4.35 percent.

4           **SECTION 24.** 71.06 (2) (mm) of the statutes, as created by 2023 Wisconsin Act  
5 .... (this act), is repealed.

6           **SECTION 25.** 71.06 (2) (n) of the statutes is created to read:

7           71.06 (2) (n) For joint returns and married persons filing separately, for taxable  
8 years beginning after December 31, 2025, on all taxable income 3.25 percent.

9           **SECTION 26.** 71.06 (2e) (a) of the statutes is amended to read:

10           71.06 (2e) (a) For taxable years beginning after December 31, 1998, and before  
11 January 1, 2000, the maximum dollar amount in each tax bracket, and the  
12 corresponding minimum dollar amount in the next bracket, under subs. (1m) and (2)  
13 (c) and (d), and for taxable years beginning after December 31, 1999, and before  
14 January 1, 2023, the maximum dollar amount in each tax bracket, and the  
15 corresponding minimum dollar amount in the next bracket, under subs. (1n), (1p) (a)  
16 to (c), (1q) (a) and (b), and (2) (e), (f), (g) 1. to 3., (h) 1. to 3., (i) 1. and 2., and (j) 1. and  
17 2., shall be increased each year by a percentage equal to the percentage change  
18 between the U.S. consumer price index for all urban consumers, U.S. city average,  
19 for the month of August of the previous year and the U.S. consumer price index for  
20 all urban consumers, U.S. city average, for the month of August 1997, as determined  
21 by the federal department of labor, except that for taxable years beginning after  
22 December 31, 2000, and before January 1, 2002, the dollar amount in the top bracket  
23 under subs. (1p) (c) and (d), (2) (g) 3. and 4. and (h) 3. and 4. shall be increased by a  
24 percentage equal to the percentage change between the U.S. consumer price index  
25 for all urban consumers, U.S. city average, for the month of August of the previous



**SENATE BILL 1**

1 year and the U.S. consumer price index for all urban consumers, U.S. city average,  
2 for the month of August 1999, as determined by the federal department of labor,  
3 except that for taxable years beginning after December 31, 2011, the adjustment may  
4 occur only if the resulting amount is greater than the corresponding amount that was  
5 calculated for the previous year.

6 **SECTION 27.** 71.06 (2e) (a) of the statutes, as affected by 2023 Wisconsin Act ...  
7 (this act), is amended to read:

8 71.06 (2e) (a) For taxable years beginning after December 31, 1998, and before  
9 January 1, 2000, the maximum dollar amount in each tax bracket, and the  
10 corresponding minimum dollar amount in the next bracket, under subs. (1m) and (2)  
11 (c) and (d), and for taxable years beginning after December 31, 1999, and before  
12 January 1, 2023, the maximum dollar amount in each tax bracket, and the  
13 corresponding minimum dollar amount in the next bracket, under subs. (1n), (1p) (a)  
14 to (c), ~~(1q) (a) and (b)~~, and (2) (e), (f), (g) 1. to 3., and (h) 1. to 3., ~~(i) 1. and 2., and (j)~~  
15 ~~1. and 2.~~, shall be increased each year by a percentage equal to the percentage change  
16 between the U.S. consumer price index for all urban consumers, U.S. city average,  
17 for the month of August of the previous year and the U.S. consumer price index for  
18 all urban consumers, U.S. city average, for the month of August 1997, as determined  
19 by the federal department of labor, except that for taxable years beginning after  
20 December 31, 2000, and before January 1, 2002, the dollar amount in the top bracket  
21 under subs. (1p) (c) and (d), (2) (g) 3. and 4. and (h) 3. and 4. shall be increased by a  
22 percentage equal to the percentage change between the U.S. consumer price index  
23 for all urban consumers, U.S. city average, for the month of August of the previous  
24 year and the U.S. consumer price index for all urban consumers, U.S. city average,  
25 for the month of August 1999, as determined by the federal department of labor,

**SENATE BILL 1****SECTION 27**

1 except that for taxable years beginning after December 31, 2011, the adjustment may  
2 occur only if the resulting amount is greater than the corresponding amount that was  
3 calculated for the previous year.

4 **SECTION 28.** 71.06 (2e) (b) of the statutes is amended to read:

5 71.06 (2e) (b) For taxable years beginning after December 31, 2009, and before  
6 January 1, 2023, the maximum dollar amount in each tax bracket, and the  
7 corresponding minimum dollar amount in the next bracket, under subs. (1p) (d), (1q)  
8 (c), and (2) (g) 4., (h) 4., (i) 3., and (j) 3., and the dollar amount in the top bracket under  
9 subs. (1p) (e), (1q) (d), and (2) (g) 5., (h) 5., (i) 4., and (j) 4., shall be increased each year  
10 by a percentage equal to the percentage change between the U.S. consumer price  
11 index for all urban consumers, U.S. city average, for the month of August of the  
12 previous year and the U.S. consumer price index for all urban consumers, U.S. city  
13 average, for the month of August 2008, as determined by the federal department of  
14 labor, except that for taxable years beginning after December 31, 2011, the  
15 adjustment may occur only if the resulting amount is greater than the corresponding  
16 amount that was calculated for the previous year.

17 **SECTION 29.** 71.06 (2e) (b) of the statutes, as affected by 2023 Wisconsin Act ....  
18 (this act), is amended to read:

19 71.06 (2e) (b) For taxable years beginning after December 31, 2009, and before  
20 January 1, 2023, the maximum dollar amount in each tax bracket, and the  
21 corresponding minimum dollar amount in the next bracket, under subs. (1p) (d), ~~(1q)~~  
22 ~~(e)~~, and (2) (g) 4., and (h) 4., ~~(i) 3., and (j) 3.~~, and the dollar amount in the top bracket  
23 under subs. (1p) (e), ~~(1q) (d)~~, and (2) (g) 5., and (h) 5., ~~(i) 4., and (j) 4.~~, shall be increased  
24 each year by a percentage equal to the percentage change between the U.S. consumer  
25 price index for all urban consumers, U.S. city average, for the month of August of the

**SENATE BILL 1**

1 previous year and the U.S. consumer price index for all urban consumers, U.S. city  
2 average, for the month of August 2008, as determined by the federal department of  
3 labor, except that for taxable years beginning after December 31, 2011, the  
4 adjustment may occur only if the resulting amount is greater than the corresponding  
5 amount that was calculated for the previous year.

6 **SECTION 30.** 71.06 (2e) (be) of the statutes is created to read:

7 71.06 (2e) (be) 1. For taxable years beginning after December 31, 2022, and  
8 before January 1, 2024, the maximum dollar amount in each tax bracket, and the  
9 corresponding minimum dollar amount in the next bracket, under subs. (1r) (a) 1.  
10 and 2. and (2) (k) 1. and 2. and (km) 1. and 2., shall be increased by a percentage equal  
11 to the percentage change between the U.S. consumer price index for all urban  
12 consumers, U.S. city average, for the month of August of the previous year and the  
13 U.S. consumer price index for all urban consumers, U.S. city average, for the month  
14 of August 1997, as determined by the federal department of labor, except that the  
15 adjustment may occur only if the resulting amount is greater than the corresponding  
16 amount that was calculated for the previous year.

17 2. For taxable years beginning after December 31, 2022, and before January  
18 1, 2024, the maximum dollar amount in each tax bracket, and the corresponding  
19 minimum dollar amount in the next bracket, under subs. (1r) (a) 3. and (2) (k) 3. and  
20 (km) 3., and the dollar amount in the top bracket under subs. (1r) (a) 4. and (2) (k)  
21 4. and (km) 4., shall be increased by a percentage equal to the percentage change  
22 between the U.S. consumer price index for all urban consumers, U.S. city average,  
23 for the month of August of the previous year and the U.S. consumer price index for  
24 all urban consumers, U.S. city average, for the month of August 2008, as determined  
25 by the federal department of labor, except that the adjustment may occur only if the

**SENATE BILL 1****SECTION 30**

1 resulting amount is greater than the corresponding amount that was calculated for  
2 the previous year.

3 **SECTION 31.** 71.06 (2e) (be) of the statutes, as created by 2023 Wisconsin Act  
4 .... (this act), is repealed.

5 **SECTION 32.** 71.06 (2e) (bm) of the statutes is created to read:

6 71.06 **(2e)** (bm) 1. For taxable years beginning after December 31, 2023, and  
7 before January 1, 2025, the maximum dollar amount in each tax bracket, and the  
8 corresponding minimum dollar amount in the next bracket, under subs. (1r) (b) 1.  
9 and 2. and (2) (L) 1. and 2. and (Lm) 1. and 2., shall be increased by a percentage equal  
10 to the percentage change between the U.S. consumer price index for all urban  
11 consumers, U.S. city average, for the month of August of the previous year and the  
12 U.S. consumer price index for all urban consumers, U.S. city average, for the month  
13 of August 1997, as determined by the federal department of labor, except that the  
14 adjustment may occur only if the resulting amount is greater than the corresponding  
15 amount that was calculated for the previous year.

16 2. For taxable years beginning after December 31, 2023, and before January  
17 1, 2025, the maximum dollar amount in each tax bracket, and the corresponding  
18 minimum dollar amount in the next bracket, under subs. (1r) (b) 3. and (2) (L) 3. and  
19 (Lm) 3., and the dollar amount in the top bracket under subs. (1r) (b) 4. and (2) (L)  
20 4. and (Lm) 4., shall be increased by a percentage equal to the percentage change  
21 between the U.S. consumer price index for all urban consumers, U.S. city average,  
22 for the month of August of the previous year and the U.S. consumer price index for  
23 all urban consumers, U.S. city average, for the month of August 2008, as determined  
24 by the federal department of labor, except that the adjustment may occur only if the

**SENATE BILL 1**

1 resulting amount is greater than the corresponding amount that was calculated for  
2 the previous year.

3 **SECTION 33.** 71.06 (2e) (bm) of the statutes, as created by 2023 Wisconsin Act  
4 .... (this act), is repealed.

5 **SECTION 34.** 71.06 (2e) (bs) of the statutes is created to read:

6 71.06 (2e) (bs) 1. For taxable years beginning after December 31, 2024, and  
7 before January 1, 2026, the maximum dollar amount in each tax bracket, and the  
8 corresponding minimum dollar amount in the next bracket, under subs. (1r) (c) 1.  
9 and 2. and (2) (m) 1. and 2. and (mm) 1. and 2., shall be increased by a percentage  
10 equal to the percentage change between the U.S. consumer price index for all urban  
11 consumers, U.S. city average, for the month of August of the previous year and the  
12 U.S. consumer price index for all urban consumers, U.S. city average, for the month  
13 of August 1997, as determined by the federal department of labor, except that the  
14 adjustment may occur only if the resulting amount is greater than the corresponding  
15 amount that was calculated for the previous year.

16 2. For taxable years beginning after December 31, 2024, and before January  
17 1, 2026, the maximum dollar amount in each tax bracket, and the corresponding  
18 minimum dollar amount in the next bracket, under subs. (1r) (c) 3. and (2) (m) 3. and  
19 (mm) 3., and the dollar amount in the top bracket under subs. (1r) (c) 4. and (2) (m)  
20 4. and (mm) 4., shall be increased by a percentage equal to the percentage change  
21 between the U.S. consumer price index for all urban consumers, U.S. city average,  
22 for the month of August of the previous year and the U.S. consumer price index for  
23 all urban consumers, U.S. city average, for the month of August 2008, as determined  
24 by the federal department of labor, except that the adjustment may occur only if the

**SENATE BILL 1****SECTION 34**

1 resulting amount is greater than the corresponding amount that was calculated for  
2 the previous year.

3 **SECTION 35.** 71.06 (2e) (bs) of the statutes, as created by 2023 Wisconsin Act  
4 .... (this act), is repealed.

5 **SECTION 36.** 71.06 (2m) of the statutes is amended to read:

6 71.06 **(2m)** RATE CHANGES. If a rate under sub. (1), (1m), (1n), (1p), (1q), (1r),  
7 or (2) changes during a taxable year, the taxpayer shall compute the tax for that  
8 taxable year by the methods applicable to the federal income tax under section 15 of  
9 the Internal Revenue Code.

10 **SECTION 37.** 71.06 (2m) of the statutes, as affected by 2023 Wisconsin Act ...  
11 (this act), is amended to read:

12 71.06 **(2m)** RATE CHANGES. If a rate under sub. (1), (1m), (1n), (1p), ~~(1q)~~, (1r),  
13 or (2) changes during a taxable year, the taxpayer shall compute the tax for that  
14 taxable year by the methods applicable to the federal income tax under section 15 of  
15 the Internal Revenue Code.

16 **SECTION 38.** 71.06 (2s) (d) of the statutes is amended to read:

17 71.06 **(2s)** (d) For taxable years beginning after December 31, 2000, and before  
18 January 1, 2023, with respect to nonresident individuals, including individuals  
19 changing their domicile into or from this state, the tax brackets under subs. (1p), (1q),  
20 and (2) (g), (h), (i), and (j) shall be multiplied by a fraction, the numerator of which  
21 is Wisconsin adjusted gross income and the denominator of which is federal adjusted  
22 gross income. In this paragraph, for married persons filing separately “adjusted  
23 gross income” means the separate adjusted gross income of each spouse, and for  
24 married persons filing jointly “adjusted gross income” means the total adjusted gross  
25 income of both spouses. If an individual and that individual’s spouse are not both

**SENATE BILL 1**

1 domiciled in this state during the entire taxable year, the tax brackets under subs.  
2 (1p), (1q), and (2) (g), (h), (i), and (j) on a joint return shall be multiplied by a fraction,  
3 the numerator of which is their joint Wisconsin adjusted gross income and the  
4 denominator of which is their joint federal adjusted gross income.

5 **SECTION 39.** 71.06 (2s) (d) of the statutes, as affected by 2023 Wisconsin Act ...  
6 (this act), is amended to read:

7 71.06 (2s) (d) For taxable years beginning after December 31, 2000, and before  
8 January 1, 2023, with respect to nonresident individuals, including individuals  
9 changing their domicile into or from this state, the tax brackets under subs. (1p), ~~(1q)~~,  
10 and (2) (g), and (h), ~~(i)~~, ~~and~~ (j) shall be multiplied by a fraction, the numerator of  
11 which is Wisconsin adjusted gross income and the denominator of which is federal  
12 adjusted gross income. In this paragraph, for married persons filing separately  
13 “adjusted gross income” means the separate adjusted gross income of each spouse,  
14 and for married persons filing jointly “adjusted gross income” means the total  
15 adjusted gross income of both spouses. If an individual and that individual’s spouse  
16 are not both domiciled in this state during the entire taxable year, the tax brackets  
17 under subs. (1p), ~~(1q)~~, and (2) (g), and (h), ~~(i)~~, ~~and~~ (j) on a joint return shall be  
18 multiplied by a fraction, the numerator of which is their joint Wisconsin adjusted  
19 gross income and the denominator of which is their joint federal adjusted gross  
20 income.

21 **SECTION 40.** 71.06 (2s) (e) of the statutes is created to read:

22 71.06 (2s) (e) For taxable years beginning after December 31, 2022, and before  
23 January 1, 2024, with respect to nonresident individuals, including individuals  
24 changing their domicile into or from this state, the tax brackets under subs. (1r) (a)  
25 and (2) (k) and (km) shall be multiplied by a fraction, the numerator of which is

**SENATE BILL 1****SECTION 40**

1 Wisconsin adjusted gross income and the denominator of which is federal adjusted  
2 gross income. In this paragraph, for married persons filing separately “adjusted  
3 gross income” means the separate adjusted gross income of each spouse, and for  
4 married persons filing jointly “adjusted gross income” means the total adjusted gross  
5 income of both spouses. If an individual and that individual’s spouse are not both  
6 domiciled in this state during the entire taxable year, the tax brackets under subs.  
7 (1r) (a) and (2) (k) and (km) on a joint return shall be multiplied by a fraction, the  
8 numerator of which is their joint Wisconsin adjusted gross income and the  
9 denominator of which is their joint federal adjusted gross income.

10 **SECTION 41.** 71.06 (2s) (e) of the statutes, as created by 2023 Wisconsin Act ...  
11 (this act), is repealed.

12 **SECTION 42.** 71.06 (2s) (f) of the statutes is created to read:

13 71.06 (2s) (f) For taxable years beginning after December 31, 2023, and before  
14 January 1, 2025, with respect to nonresident individuals, including individuals  
15 changing their domicile into or from this state, the tax brackets under subs. (1r) (b)  
16 and (2) (L) and (Lm) shall be multiplied by a fraction, the numerator of which is  
17 Wisconsin adjusted gross income and the denominator of which is federal adjusted  
18 gross income. In this paragraph, for married persons filing separately “adjusted  
19 gross income” means the separate adjusted gross income of each spouse, and for  
20 married persons filing jointly “adjusted gross income” means the total adjusted gross  
21 income of both spouses. If an individual and that individual’s spouse are not both  
22 domiciled in this state during the entire taxable year, the tax brackets under subs.  
23 (1r) (b) and (2) (L) and (Lm) on a joint return shall be multiplied by a fraction, the  
24 numerator of which is their joint Wisconsin adjusted gross income and the  
25 denominator of which is their joint federal adjusted gross income.



**SENATE BILL 1**

1           **SECTION 43.** 71.06 (2s) (f) of the statutes, as created by 2023 Wisconsin Act ...  
2 (this act), is repealed.

3           **SECTION 44.** 71.06 (2s) (g) of the statutes is created to read:

4           71.06 (2s) (g) For taxable years beginning after December 31, 2024, and before  
5 January 1, 2026, with respect to nonresident individuals, including individuals  
6 changing their domicile into or from this state, the tax brackets under subs. (1r) (c)  
7 and (2) (m) and (mm) shall be multiplied by a fraction, the numerator of which is  
8 Wisconsin adjusted gross income and the denominator of which is federal adjusted  
9 gross income. In this paragraph, for married persons filing separately “adjusted  
10 gross income” means the separate adjusted gross income of each spouse, and for  
11 married persons filing jointly “adjusted gross income” means the total adjusted gross  
12 income of both spouses. If an individual and that individual’s spouse are not both  
13 domiciled in this state during the entire taxable year, the tax brackets under subs.  
14 (1r) (c) and (2) (m) and (mm) on a joint return shall be multiplied by a fraction, the  
15 numerator of which is their joint Wisconsin adjusted gross income and the  
16 denominator of which is their joint federal adjusted gross income.

17           **SECTION 45.** 71.06 (2s) (g) of the statutes, as created by 2023 Wisconsin Act ...  
18 (this act), is repealed.

19           **SECTION 46.** 71.125 (1) of the statutes is amended to read:

20           71.125 (1) Except as provided in sub. (2), the tax imposed by this chapter on  
21 individuals and the rates under s. 71.06 (1), (1m), (1n), (1p), (1q), (1r), and (2) shall  
22 apply to the Wisconsin taxable income of estates or trusts, except nuclear  
23 decommissioning trust or reserve funds, and that tax shall be paid by the fiduciary.

24           **SECTION 47.** 71.125 (1) of the statutes, as affected by 2023 Wisconsin Act ...  
25 (this act), is amended to read:

**SENATE BILL 1****SECTION 47**

1           71.125 (1) Except as provided in sub. (2), the tax imposed by this chapter on  
2 individuals and the rates under s. 71.06 (1), (1m), (1n), (1p), ~~(1q)~~, (1r), and (2) shall  
3 apply to the Wisconsin taxable income of estates or trusts, except nuclear  
4 decommissioning trust or reserve funds, and that tax shall be paid by the fiduciary.

5           **SECTION 48.** 71.125 (2) of the statutes is amended to read:

6           71.125 (2) Each electing small business trust, as defined in section 1361 (e) (1)  
7 of the Internal Revenue Code, is subject to tax at the highest rate under s. 71.06 (1),  
8 (1m), (1n), (1p), ~~or (1q)~~, or (1r), whichever taxable year is applicable, on its income  
9 as computed under section 641 of the Internal Revenue Code, as modified by s. 71.05  
10 (6) to (12), (19) and (20).

11           **SECTION 49.** 71.125 (2) of the statutes, as affected by 2023 Wisconsin Act ...  
12 (this act), is amended to read:

13           71.125 (2) Each electing small business trust, as defined in section 1361 (e) (1)  
14 of the Internal Revenue Code, is subject to tax at the highest rate under s. 71.06 (1),  
15 (1m), (1n), (1p), ~~(1q)~~, or (1r), whichever taxable year is applicable, on its income as  
16 computed under section 641 of the Internal Revenue Code, as modified by s. 71.05  
17 (6) to (12), (19) and (20).

18           **SECTION 50.** 71.17 (6) of the statutes is amended to read:

19           71.17 (6) FUNERAL TRUSTS. If a qualified funeral trust makes the election under  
20 section 685 of the Internal Revenue Code for federal income tax purposes, that  
21 election applies for purposes of this chapter and each trust shall compute its own tax  
22 and shall apply the rates under s. 71.06 (1), (1m), (1n), (1p), ~~or (1q)~~, or (1r).

23           **SECTION 51.** 71.17 (6) of the statutes, as affected by 2023 Wisconsin Act ... (this  
24 act), is amended to read:

**SENATE BILL 1****SECTION 51**

1           71.17 **(6)** FUNERAL TRUSTS. If a qualified funeral trust makes the election under  
2 section 685 of the Internal Revenue Code for federal income tax purposes, that  
3 election applies for purposes of this chapter and each trust shall compute its own tax  
4 and shall apply the rates under s. 71.06 (1), (1m), (1n), (1p), ~~(1q)~~, or (1r).

5           **SECTION 52.** 71.64 (9) (b) (intro.) of the statutes is amended to read:

6           71.64 **(9)** (b) (intro.) The department shall from time to time adjust the  
7 withholding tables to reflect any changes in income tax rates, any applicable surtax  
8 or any changes in dollar amounts in s. 71.06 (1), (1m), (1n), (1p), (1q), (1r), and (2)  
9 resulting from statutory changes, except as follows:

10           **SECTION 53.** 71.64 (9) (b) (intro.) of the statutes, as affected by 2023 Wisconsin  
11 Act .... (this act), is amended to read:

12           71.64 **(9)** (b) (intro.) The department shall from time to time adjust the  
13 withholding tables to reflect any changes in income tax rates, any applicable surtax  
14 or any changes in dollar amounts in s. 71.06 (1), (1m), (1n), (1p), ~~(1q)~~, (1r), and (2)  
15 resulting from statutory changes, except as follows:

16           **SECTION 54.** 71.67 (5) (a) of the statutes is amended to read:

17           71.67 **(5)** (a) *Wager winnings.* A person holding a license to sponsor and  
18 manage races under s. 562.05 (1) (b) or (c) shall withhold from the amount of any  
19 payment of pari-mutuel winnings under s. 562.065 (3) (a) or (3m) (a) an amount  
20 determined by multiplying the amount of the payment by the highest rate applicable  
21 to individuals under s. 71.06 (1) (a) to (c), (1m), (1n), (1p), ~~or (1q)~~, or (1r) if the amount  
22 of the payment is more than \$1,000.

23           **SECTION 55.** 71.67 (5) (a) of the statutes, as affected by 2023 Wisconsin Act ....  
24 (this act), is amended to read:

**SENATE BILL 1****SECTION 55**

1           71.67 (5) (a) *Wager winnings*. A person holding a license to sponsor and  
2 manage races under s. 562.05 (1) (b) or (c) shall withhold from the amount of any  
3 payment of pari-mutuel winnings under s. 562.065 (3) (a) or (3m) (a) an amount  
4 determined by multiplying the amount of the payment by the highest rate applicable  
5 to individuals under s. 71.06 (1) (a) to (c), (1m), (1n), (1p), ~~(1q)~~, or (1r) if the amount  
6 of the payment is more than \$1,000.

7           **SECTION 56.** 71.67 (5m) of the statutes is amended to read:

8           71.67 (5m) WITHHOLDING FROM PAYMENTS TO PURCHASE ASSIGNMENT OF LOTTERY  
9 PRIZE. A person that purchases an assignment of a lottery prize shall withhold from  
10 the amount of any payment made to purchase the assignment the amount that is  
11 determined by multiplying the amount of the payment by the highest rate applicable  
12 to individuals under s. 71.06 (1) (a) to (c), (1m), (1n), (1p), ~~or (1q)~~, or (1r). Subsection  
13 (5) (b), (c) and (d), as it applies to the amounts withheld under sub. (5) (a), applies  
14 to the amount withheld under this subsection.

15           **SECTION 57.** 71.67 (5m) of the statutes, as affected by 2023 Wisconsin Act ....  
16 (this act), is amended to read:

17           71.67 (5m) WITHHOLDING FROM PAYMENTS TO PURCHASE ASSIGNMENT OF LOTTERY  
18 PRIZE. A person that purchases an assignment of a lottery prize shall withhold from  
19 the amount of any payment made to purchase the assignment the amount that is  
20 determined by multiplying the amount of the payment by the highest rate applicable  
21 to individuals under s. 71.06 (1) (a) to (c), (1m), (1n), (1p), ~~(1q)~~, or (1r). Subsection  
22 (5) (b), (c) and (d), as it applies to the amounts withheld under sub. (5) (a), applies  
23 to the amount withheld under this subsection.

24           **SECTION 58.** 73.03 (71) of the statutes is repealed.

25           **SECTION 59.** 73.03 (71) (c) 2. of the statutes is amended to read:

**SENATE BILL 1****SECTION 59**

1           73.03 (71) (c) 2. No later than October 20, 2020, the secretary of revenue shall  
2 certify and report the determinations made under pars. (a) 2. and (b) 2. to the  
3 secretary of the department of administration, the governor, the joint committee on  
4 finance, and the legislative audit bureau and specify with that certification and  
5 report that the new tax rates take effect for the taxable year beginning after  
6 December 31, 2019, and before January 1, 2021, and for each taxable year ~~thereafter~~  
7 beginning after December 31, 2020, and before January 1, 2023, subject to par. (d)  
8 2.

9           **SECTION 60.** 73.03 (71) (d) 2. of the statutes is amended to read:

10           73.03 (71) (d) 2. The legislative audit bureau shall review the determinations  
11 reported under par. (c) 2. and report its findings to the joint legislative audit  
12 committee and the joint committee on finance no later than November 1, 2020. If the  
13 legislative audit bureau's review of the determinations reported under par. (c) 2.  
14 results in a different calculation of the tax rates than that made under par. (b) 2., the  
15 joint committee on finance shall determine which tax rates to apply to the taxable  
16 year beginning after December 31, 2019, and before January 1, 2021, and to each  
17 taxable year ~~thereafter~~ beginning after December 31, 2020, and before January 1,  
18 2023, and report its determination to the governor, the secretary of administration,  
19 and the secretary of revenue no later than November 10, 2020.

20           **SECTION 61. Nonstatutory provisions.**

21           (1) WITHHOLDING TABLE ADJUSTMENTS FOR 2024. No later than October 1, 2023,  
22 the department of revenue shall update the individual income tax withholding tables  
23 under s. 71.64 (9) to reflect the tax rates, brackets, and sliding scale standard  
24 deduction that are in effect for taxable year 2024. The adjustments made under this  
25 subsection to the withholding tables shall take effect on January 1, 2024.

**SENATE BILL 1****SECTION 61**

1           (2) WITHHOLDING TABLE ADJUSTMENTS FOR 2025. No later than October 1, 2024,  
2 the department of revenue shall update the individual income tax withholding tables  
3 under s. 71.64 (9) to reflect the tax rates, brackets, and sliding scale standard  
4 deduction that are in effect for taxable year 2025. The adjustments made under this  
5 subsection to the withholding tables shall take effect on January 1, 2025.

6           (3) WITHHOLDING TABLE ADJUSTMENTS FOR 2026. No later than October 1, 2025,  
7 the department of revenue shall update the individual income tax withholding tables  
8 under s. 71.64 (9) to reflect the tax rate and sliding scale standard deduction that is  
9 in effect for taxable year 2026. The adjustments made under this subsection to the  
10 withholding tables shall take effect on January 1, 2026.

11           **SECTION 62. Effective dates.** This act takes effect on the day after publication,  
12 except as follows:

13           (1) The treatment of ss. 71.06 (1q) (by SECTION 2), (2) (i) (by SECTION 10) and (j)  
14 (by SECTION 12), (2e) (a) (by SECTION 27) and (b) (by SECTION 29), (2m) (by SECTION 37),  
15 and (2s) (d) (by SECTION 39), 71.125 (1) (by SECTION 47) and (2) (by SECTION 49), 71.17  
16 (6) (by SECTION 51), 71.64 (9) (b) (intro.) (by SECTION 53), 71.67 (5) (a) (by SECTION 55)  
17 and (5m) (by SECTION 57), and 73.03 (71) (by SECTION 58) takes effect on January 1,  
18 2029.

19           (2) The treatment of s. 71.06 (1r) (a) (by SECTION 5), (2) (k) (by SECTION 14) and  
20 (km) (by SECTION 16), (2e) (be) (by SECTION 31), and (2s) (e) (by SECTION 41) takes effect  
21 on January 1, 2030.

22           (3) The treatment of s. 71.06 (1r) (b) (by SECTION 6), (2) (L) (by SECTION 18) and  
23 (Lm) (by SECTION 20), (2e) (bm) (by SECTION 33), and (2s) (f) (by SECTION 43) takes  
24 effect on January 1, 2031.

