



1997 SENATE BILL 522

March 19, 1998 - Introduced by Senators DARLING, BURKE and HUELSMAN, cosponsored by Representative MUSSER. Referred to Committee on Economic Development, Housing and Government Operations.

1 **AN ACT to repeal** 71.07 (5) (a) 3. of the statutes; **relating to:** the itemized
2 deductions credit.

Analysis by the Legislative Reference Bureau

Under current law, individual income tax filers may claim the itemized deductions credit. The credit is nonrefundable, meaning that the amount of the credit claimed may not exceed the amount of net income taxes otherwise due. The credit is calculated so that it equals 5% of the amount allowed as itemized deductions under the claimant's federal income tax return, except that certain federal itemized deductions may not be used in calculating the state itemized deductions credit. The items that may not be used in calculating the state credit include certain casualty and theft deductions, interest incurred to purchase or refinance a residence that is not a principal residence and that is not in this state and certain expenses to move from this state.

This bill changes current law, and expands the credit, by repealing the exclusion of certain casualty and theft deductions from the list of items that may not currently be used in calculating the state credit.

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:

