



**ASSEMBLY AMENDMENT 2,
TO 1999 ASSEMBLY BILL 654**

February 2, 2000 - Offered by Representative KREIBICH.

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

2 **1.** Page 1, line 6: before "granting" insert "creating a tax deduction for certain
3 amounts contributed to the college tuition prepayment program, creating a tax
4 deduction for certain amounts contributed to the college savings program,
5 exempting from taxation certain gains derived from contributions to the college
6 savings program,".

7 **2.** Page 10, line 9: after that line insert:

8 **"SECTION 13g.** 71.05 (6) (b) 23. of the statutes, as affected by 1999 Wisconsin
9 Act 9, is amended to read:

10 71.05 **(6)** (b) 23. Any increase in value of a tuition unit that is purchased under
11 a tuition contract under s. 14.63, except that the subtraction under this subdivision
12 may not be claimed by any individual who received a refund under s. 14.63 (7) (a) 2.,
13 3. or 4.

1 **SECTION 13h.** 71.05 (6) (b) 28. h. of the statutes is created to read:

2 71.05 (6) (b) 28. h. No modification may be claimed under this subdivision for
3 an amount paid for tuition expenses, as described under this subdivision, if the
4 source of the payment is an amount withdrawn from a college savings account, as
5 described in s. 14.64 or from a college tuition prepayment program, as described in
6 s. 14.63.

7 **SECTION 13j.** 71.05 (6) (b) 31. of the statutes is created to read:

8 71.05 (6) (b) 31. Any increase in value of a college savings account, as described
9 in s. 14.64, except that the subtraction under this subdivision may not be claimed by
10 any individual who has made an unqualified withdrawal, as described in s. 14.64 (2)
11 (e).

12 **SECTION 13m.** 71.05 (6) (b) 32. of the statutes is created to read:

13 71.05 (6) (b) 32. An amount paid into a college savings account, as described
14 in s. 14.64, if the beneficiary of the account either is the claimant or is the claimant's
15 child and the claimant's dependent who is claimed under section 151 (c) of the
16 Internal Revenue Code, calculated as follows:

17 a. An amount equal to not more than \$3,000 per beneficiary for each year to
18 which the claim relates.

19 b. For an individual who is a nonresident or part-year resident of this state,
20 multiply the amount calculated under subd. 32. a. by a fraction the numerator of
21 which is the individual's wages, salary, tips, unearned income and net earnings from
22 a trade or business that are taxable by this state and the denominator of which is the
23 individual's total wages, salary, tips, unearned income and net earnings from a trade
24 or business. In this subd. 32. b., for married persons filing separately "wages, salary,
25 tips, unearned income and net earnings from a trade or business" means the separate

1 wages, salary, tips, unearned income and net earnings from a trade or business of
2 each spouse, and for married persons filing jointly “wages, salary, tips, unearned
3 income and net earnings from a trade or business” means the total wages, salary,
4 tips, unearned income and net earnings from a trade or business of both spouses.

5 c. Reduce the amount calculated under subd. 32. a. or b. to the individual’s
6 aggregate wages, salary, tips, unearned income and net earnings from a trade or
7 business that are taxable by this state.

8 **SECTION 13p.** 71.05 (6) (b) 33. of the statutes is created to read:

9 71.05 (6) (b) 33. An amount paid into a college tuition prepayment program,
10 as described in s. 14.63, if the beneficiary of the account either is the claimant or is
11 the claimant’s child and the claimant’s dependent who is claimed under section 151
12 (c) of the Internal Revenue Code, calculated as follows:

13 a. An amount equal to not more than \$3,000 per beneficiary for each year to
14 which the claim relates.

15 b. For an individual who is a nonresident or part-year resident of this state,
16 multiply the amount calculated under subd. 33. a. by a fraction the numerator of
17 which is the individual’s wages, salary, tips, unearned income and net earnings from
18 a trade or business that are taxable by this state and the denominator of which is the
19 individual’s total wages, salary, tips, unearned income and net earnings from a trade
20 or business. In this subd. 33. b., for married persons filing separately “wages, salary,
21 tips, unearned income and net earnings from a trade or business” means the separate
22 wages, salary, tips, unearned income and net earnings from a trade or business of
23 each spouse, and for married persons filing jointly “wages, salary, tips, unearned
24 income and net earnings from a trade or business” means the total wages, salary,
25 tips, unearned income and net earnings from a trade or business of both spouses.

