

**1999 DRAFTING REQUEST**

**Bill**

Received: **12/18/98**

Received By: **shoveme**

Wanted: **As time permits**

Identical to LRB:

For: **Tom Sykora (608) 266-1194**

By/Representing: **Sara Jermstad**

This file may be shown to any legislator: **NO**

Drafter: **shoveme**

May Contact:

Alt. Drafters:

Subject: **Tax - individual income**

Extra Copies:

**Topic:**

Tax exemption for military income received while on active duty

**Instructions:**

See Attached. Create an income tax exemption for military income received from fed govt by active duty members of the US armed forces.

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	shoveme 12/18/98	jgeller 12/18/98		_____			S&L Tax
/1			martykr 12/21/98	_____	lrb_docadmin 12/21/98		S&L Tax
/2	shoveme 01/5/99	jgeller 01/5/99	jfrantze 01/6/99	_____	lrb_docadmin 01/6/99	lrb_docadmin 01/7/99	

FE Sent For: **01/7/99 .**

*1/2"*

<END>

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/?	shoveme 12/18/98	jgeller 12/18/98		_____			S&L Tax
/1		<i>12/5 jlg</i>	martykr 12/21/98	_____	lrb_docadmin 12/21/98		

*12 MES 1/5/99*

*1/6* *1/6*  
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1?	shoveme	11/18 jlg	12/14 Jm	12/21 ZP			
11 MES 12/18							

FE Sent For:

<END>

**LEGISLATIVE REFERENCE BUREAU**

**BILL REQUEST FORM**

Legal Section, 5<sup>th</sup> Floor, 100 N. Hamilton St.  
(608) 266-3561

Use of this form is optional. It is often helpful to talk directly with the LRB attorney who will draft the bill.  
Use this form only for **BILL** drafts. Attach more pages if necessary.

Date of request: 12/16/98	Legislator or agency requesting this draft: Rep Tom Sykora
Name/phone number of person submitting request: Tom Sykora 266-1194	
Persons to contact for questions about this draft (names and phone numbers please): Sara Jermstad 266-1195	
Describe the problem, including any helpful examples. How do you want to solve the problem? <del>Exempt of military</del> Tax exemption for military while serving active duty outside of the state.	
If you know of any statute sections that might be affected, please list them or provide a marked (not re-typed) copy.	

Please attach a copy of any correspondence or material that may help us. You may also attach a marked (not re-typed) copy of any LRB draft, or provide its number (e.g., 1997 LRB-2345/1 or 1995 AB-67):

Requests are confidential unless stated otherwise.

May we tell others that we are working on this for you?  YES  NO

If yes, anyone who asks?  YES  NO

Any legislator?  YES  NO  ONLY the following persons:

Do you consider this urgent?  YES  NO If yes, please indicate why:

Is this request of higher priority than other pending request(s) you have made?

YES  NO If yes, please sign your name here:

Handwritten text at the top of the page, possibly a title or header.

Handwritten text line.

Small handwritten mark or signature at the bottom.

Madison, WI

# Wisconsin State Legislature



## Facsimile Transmittal

Total number of pages : 2

To: Rep Tom Sykora Home Fax From: Jermstad, Sara

Company : Office:

Office: Phone: 266-3070

Fax number : 7152886535 Fax number:

Subject: FW: Non-Resident Taxes

### Message:

Tom - What kind of a response would you like me to give?

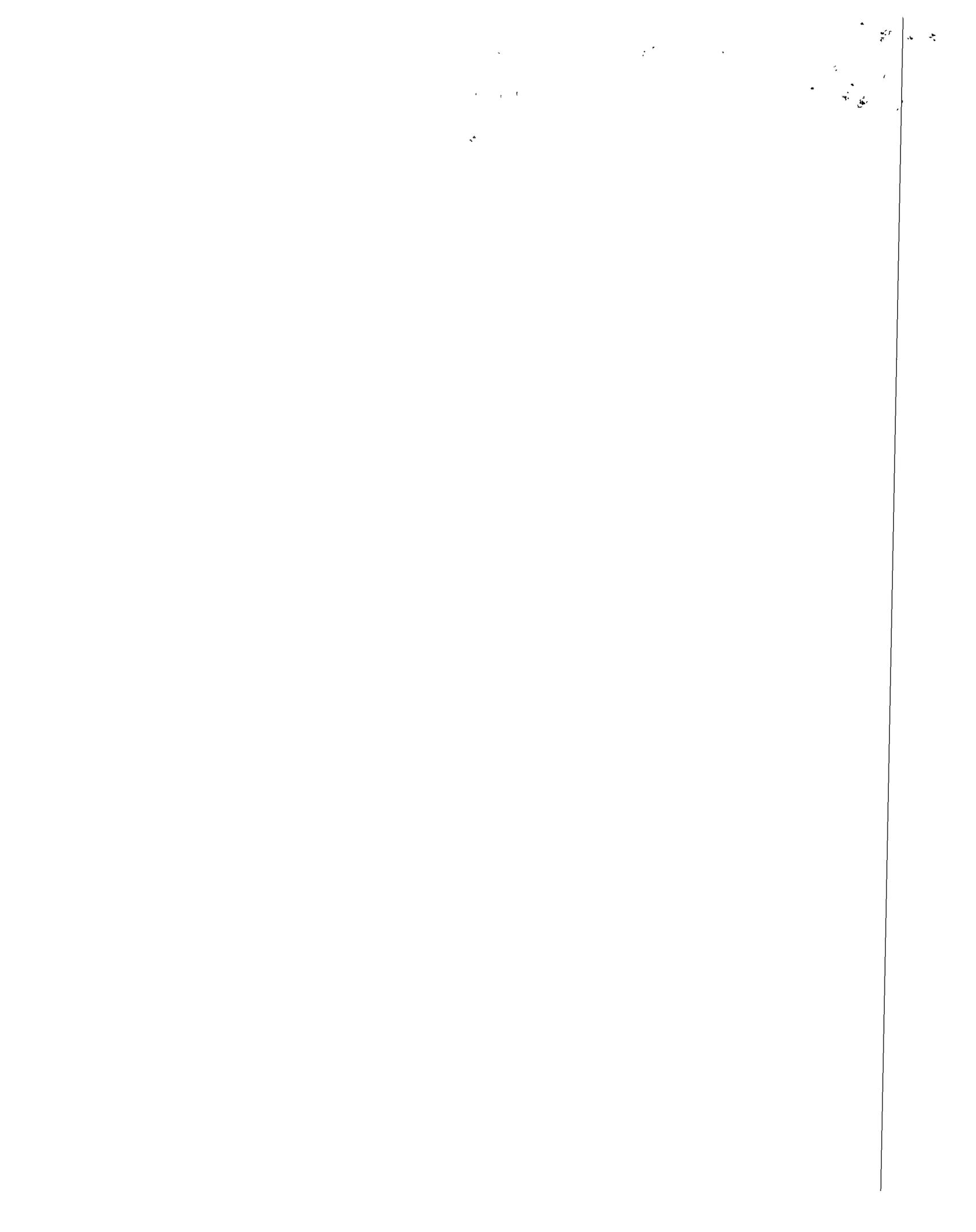
Sara

-----  
From: David Simpson[SMTPrdsimp2@mosquitonet.com]  
Sent: Wednesday, September 16, 1998 2:17 PM  
To: Rep.Sykora  
Subject: Non-Resident Taxes

To Whom it May Concern

I am writing to you because I was a resident of the State of Wisconsin. I was born and raised in Wisconsin and I love the State. However I can't believe how the state I was born in and the state that I worked in for years can turn around and take advantage of people who choose to be in the military. I joined the Marine Corps when I was 17 years old in 1980 and during that time I was forced to pay Wisconsin State Income Tax even though during that entire time I never resided in the State for more than 30 days a year. I then got out and made Wisconsin my residence after I was discharged in 1984 and I stayed there till I joined the Army in 1994. During the next three years I never spent any time in the state that so eagerly taxed my income yet I never received any benefits from the taxes I paid. Well in 1997 I finally had enough of paying taxes and only spending four days in the state from November 1994 to June 1997, I then changed my state residence from Wisconsin to Alaska not only because I received orders to be stationed here but also because I couldn't stand paying income tax for services I never received. There are many states that they allow the Military member to be exempt from paying income tax while assigned to a duty station outside of the state during active duty. I can't believe that my home state would take such an advantage of people such as myself and many more that do join the military to serve our nation's defense and to protect you and every other American in this nation and abroad. Thank you for very much for forcing me to

*(a bill)*  
*Absolutely Right on!*



change my legal state of residence I really like the thought of my home state charging me because I used to reside there for a time. God the least you could do is give our service members a break as if we can afford to pay when most of those military members can barely afford to feed their families. Well I hope that someday the State of Wisconsin will notice how many military people are changing their residence to get away from paying taxes for benefits that we are not using.

Sincerely

David Simpson



State of Wisconsin  
1999 - 2000 LEGISLATURE

-1368/1  
LRB 05/2/2  
MES:jlg:lp

stays →  
FMNR

1999 BILL

regm

1 AN ACT to create 71.05 (1) (g) of the statutes; relating to: creating an individual  
2 income tax exemption for military income received by certain members of the  
3 U.S. armed forces.

*Analysis by the Legislative Reference Bureau*

This bill exempts from taxation all military income received from the federal government by an individual who is on active duty in the U.S. military.

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 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:*

4 SECTION 1. 71.05 (6) (b) 29. of the statutes is created to read:  
5 71.05 (6) (b) 29. Any amount of basic, special or incentive pay income, as those  
6 terms are used in 37 USC chapters 3 and 5, received from the federal government  
7 by an individual who is on active duty in the U.S. armed forces, as defined in 26 USC  
8 7701 (a) 15.



**SUBMITTAL  
FORM**

**LEGISLATIVE REFERENCE BUREAU  
Legal Section Telephone: 266-3561  
5th Floor, 100 N. Hamilton Street**

---

The attached draft is submitted for your inspection. Please check each part carefully, proofread each word, and **sign** on the appropriate line(s) below.

---

**Date:** 12/21/98

**To:** Representative Sykora

**Relating to LRB drafting number:** LRB-1368

**Topic**

Tax exemption for military income received while on active duty

**Subject(s)**

Tax - individual income

1. **JACKET** the draft for introduction \_\_\_\_\_

in the **Senate** \_\_\_\_ or the **Assembly** \_\_\_\_ (check only one). Only the requester under whose name the drafting request is entered in the LRB's drafting records may authorize the draft to be submitted. Please allow one day for the preparation of the required copies.

2. **REDRAFT**. See the changes indicated or attached Tom Sykora \_\_\_\_\_.

A revised draft will be submitted for your approval with changes incorporated.

3. Obtain **FISCAL ESTIMATE NOW**, prior to introduction \_\_\_\_\_.

If the analysis indicates that a fiscal estimate is required because the proposal makes an appropriation or increases or decreases existing appropriations or state or general local government fiscal liability or revenues, you have the option to request the fiscal estimate prior to introduction. If you choose to introduce the proposal without the fiscal estimate, the fiscal estimate will be requested automatically upon introduction. It takes about 10 days to obtain a fiscal estimate. Requesting the fiscal estimate prior to introduction retains your flexibility for possible redrafting of the proposal.

If you have any questions regarding the above procedures, please call 266-3561. If you have any questions relating to the attached draft, please feel free to call me.

Marc E. Shovers, Senior Legislative Attorney  
Telephone: (608) 266-0129





## 1999 BILL

1     **AN ACT to create** 71.05 (6) (b) 29. of the statutes; **relating to:** creating an  
2     individual income tax exemption for military income received by certain  
3     members of the U.S. armed forces.

---

### *Analysis by the Legislative Reference Bureau*

This bill exempts from taxation all military income received from the federal government by an individual who is on active duty in the U.S. military.

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6     terms are used in 37 USC chapters 3 and 5, received from the federal government  
7     by an individual who is on active duty in the U.S. armed forces, as defined in 26 USC  
8     7701 (a) 15.



Thanks!

-Sara

2do-1195



## TOM SYKORA

STATE REPRESENTATIVE

- In response to your recent request.
- I thought you might be interested in the enclosed material.

please change the  
draft so that  
the tax exemption  
applies to active  
duty outside of  
Wisconsin

(Those stationed in  
Wisconsin ~~with~~ would  
still be subject to  
income tax since they  
are actually living in the  
State.)

P.O. Box 8953 • Madison, Wisconsin 53708-8953

(608) 266-1194 • Fax: (608) 264-6999

Toll-Free Legislative Hotline: 1 (800) 362-9472

Rep.Sykora@legis.state.wi.us



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRB-136802

MES:jlj:pm

RMR

1999 BILL

Regen

1 AN ACT to create 71.05 (6) (b) 29. of the statutes; relating to: creating an  
2 individual income tax exemption for military income received by certain  
3 members of the U.S. armed forces.

and who is stationed outside of this state

**Analysis by the Legislative Reference Bureau**

This bill exempts from taxation all military income received from the federal government by an individual who is on active duty in the U.S. military.

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 and local* fiscal estimate, which will be printed as an appendix to this bill.

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5 71.05 (6) (b) 29. Any amount of basic, special or incentive pay income, as those  
6 terms are used in 37 USC chapters 3 and 5, received from the federal government  
7 by an individual who is on active duty in the U.S. armed forces, as defined in 26 USC

8 7701 (a) 15, and who is stationed outside of this state



**SUBMITTAL  
FORM**

**LEGISLATIVE REFERENCE BUREAU  
Legal Section Telephone: 266-3561  
5th Floor, 100 N. Hamilton Street**

The attached draft is submitted for your inspection. Please check each part carefully, proofread each word, and **sign** on the appropriate line(s) below.

**Date:** 1/6/99

**To:** Representative Sykora

**Relating to LRB drafting number:** LRB-1368

**Topic**

Tax exemption for military income received while on active duty

**Subject(s)**

Tax - individual income

1. **JACKET** the draft for introduction Tom Sykora  
in the **Senate** \_\_\_ or the **Assembly**  (check only one). Only the requester under whose name the drafting request is entered in the LRB's drafting records may authorize the draft to be submitted. Please allow one day for the preparation of the required copies.

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Marc E. Shovers, Senior Legislative Attorney  
Telephone: (608) 266-0129

ASSEMBLY BILL 139

SECTION 1

1 by an individual who is on active duty in the U.S. armed forces, as defined in 26 USC  
2 7701 (a) 15 and who is stationed outside of this state.

3 **SECTION 2. Initial applicability.**

4 (1) This act first applies to taxable years beginning on January 1 of the year  
5 in which this subsection takes effect, except that if this subsection takes effect after  
6 July 31, this act first applies to taxable years beginning on January 1 of the year  
7 following the year in which this subsection takes effect.

8 (END)

*and this too?*

Marc

*Would you like a  
ccc done on this?*

*yes,  
please*

*[Signature]*



CORRECTIONS IN: **CCC** (LRB-1368/2)

**TO 1999 ASSEMBLY BILL 139**

(\*\*\*\*\*)

Prepared by the Legislative Reference Bureau  
(Date\*\*\*\*)

1. Page 2, line 2: delete "15" and substitute "(15)".
2. Page 2, line 6: delete "31," and substitute "31".

KMG:

.....

---

Minor clerical corrections in legislation are authorized under s. 35.17, stats.; Senate Rule 31, Assembly Rule 37 and Joint Rule 56.



State of Wisconsin  
1999-2000 LEGISLATURE

**CORRECTIONS IN:**

**1999 ASSEMBLY BILL 139**

Prepared by the Legislative Reference Bureau  
(May 6, 1999)

1. Page 2, line 2: delete "15" and substitute "(15)".
2. Page 2, line 6: delete "31," and substitute "31".



# State of Wisconsin

## LEGISLATIVE REFERENCE BUREAU

100 NORTH HAMILTON STREET  
P. O. BOX 2037  
MADISON, WI 53701-2037

LEGAL SECTION  
REFERENCE SECTION  
FAX

(608) 266-3561  
(608) 266-0341  
(608) 266-5648

LRB  
2

STEPHEN R. MILLER  
CHIEF

February 26, 1999

## MEMORANDUM

**To:** Representative Sykora

**From:** Marc E. Shovers, Sr. Legislative Attorney, (608) 266-0129

**Subject:** Technical Memorandum to **1999 AB 139** (LRB 99-1368/2)

---

We received the attached technical memorandum relating to your bill. This copy is for your information and your file. If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.



**MEMORANDUM**

February 24, 1999

**TO:** Marc Shovers  
Legislative Reference Bureau

**FROM:** Yeang-Eng Braun <sup>UPB</sup>  
Department of Revenue

**SUBJECT:** Technical Memorandum on AB 139 – Individual Income Tax Exemption for Certain Military Income

The proposed legislation makes no provision for funding the costs of administering activities required by the proposed tax change. If the author wishes to provide funding, appropriation language could be developed and costs allocated in the following manner:

	<u>Chapter 20</u>	<u>Amount</u>
one-time	s. 20.566 (1) (a)	\$9,400
annual	s. 20.566 (1) (a)	\$25,100

If you have questions regarding this technical memorandum, please contact Pat Lashore at 266-3347.

YEB:CDK:dls  
t:\fsn\ck\lab139.tec

