

1999 ASSEMBLY BILL 404

July 8, 1999 – Introduced by Representatives POCAN, URBAN, BLACK, BOCK, LASSA, CARPENTER, YOUNG, J. LEHMAN, RICHARDS, LA FAVE, BERCEAU, TURNER, WASSERMAN, HUBER, MORRIS-TATUM and BOYLE, cosponsored by Senators RISSER and ROBSON. Referred to Committee on Ways and Means.

1 **AN ACT to create** 71.26 (3) (e) 4. of the statutes; **relating to:** the corporate income
2 tax deduction for tobacco advertising expenses.

Analysis by the Legislative Reference Bureau

Under current law, to determine a corporation's adjusted gross income for income tax and franchise tax purposes, a corporation may deduct from the corporation's income the advertising expenses paid by the corporation. Under this bill, a corporation may not deduct any expenses for advertising that is intended to promote the sale or use of cigarettes or tobacco products.

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:

3 **SECTION 1.** 71.26 (3) (e) 4. of the statutes is created to read:

4 71.26 (3) (e) 4. So that payments for advertising may be deducted only if the
5 advertising is not intended to promote the sale or use of cigarettes, as defined under
6 s. 139.30 (1), or tobacco products, as defined under s. 139.75 (12).

7 **SECTION 2. Initial applicability.**

