

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2327/1dn
ISR:cmh:jf

March 31, 1999

Representative Townsend:

This bill allows lottery prize winners to elect whether to receive payment of a lottery prize in the form of a single cash payment or in instalments only after they become entitled to the prize. Once an election is made, the election is final and may not be revoked. Is this OK?

This bill first applies to lottery prizes won on the day after publication. This is to avoid any confusion that may arise in determining when a lottery prize winner may make an election and whether a prize winner is entitled to the specific tax treatment. For example, without this provision, it would be unclear whether a lottery prize won 30 days prior to publication is entitled to the specific tax treatment and whether the lottery prize winner has 30 days or 60 days to make the payment election. The initial applicability provision ensures that this confusion will not arise.

Please review this draft carefully to make sure it reflects your intent. If you have any questions or comments, please do not hesitate to contact me.

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