

**1999 DRAFTING REQUEST**

**Bill**

Received: **08/05/1999**

Received By: **shoveme**

Wanted: **As time permits**

Identical to LRB:

For: **James Kreuser** (608) 266-5504

By/Representing: **Jessica**

This file may be shown to any legislator: NO

Drafter: **shoveme**

May Contact:

Alt. Drafters:

Subject: **Tax Credits (inc) - homestead**

Extra Copies:

**Pre Topic:**

No specific pre topic given

**Topic:**

Definition of "income" under the homestead credit

**Instructions:**

See Attached. Change definition of "income" under homestead cr. to include only the taxable amount of any pension or annuity, not the gross amount.

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Reaured</u>
/1	shoveme 09/08/1999	csicilia 09/13/1999	mclark 09/13/1999	_____	lrb_docadmin 09/13/1999	lrb_docadminState 09/23/1999	

FE Sent For: **09/23/1999.**

<END>

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FE Sent For:

<END>



Frenser, Jessica

~~Bill~~ change ~~of~~ definition of  
"income" under homestead or. to  
include only the taxable amount of  
any pension or annuity, not the gross  
amount



1 maintenance payments (except foster care maintenance and supplementary  
2 payments excludable under section 131 of the internal revenue code), support money,  
3 cash public assistance (not including credit granted under this subchapter and  
4 amounts under s. 46.27), cash benefits paid by counties under s. 59.53 (21), the ~~gross~~  
5 taxable amount of any pension or annuity (including railroad retirement benefits,  
6 all payments received under the federal social security act and veterans disability  
7 pensions), nontaxable interest received from the federal government or any of its  
8 instrumentalities, nontaxable interest received on state or municipal bonds,  
9 worker's compensation, unemployment insurance, the gross amount of "loss of time"  
10 insurance, compensation and other cash benefits received from the United States for  
11 past or present service in the armed forces, scholarship and fellowship gifts or  
12 income, capital gains, gain on the sale of a personal residence excluded under section  
13 121 of the internal revenue code, dividends, income of a nonresident or part-year  
14 resident who is married to a full-year resident, housing allowances provided to  
15 members of the clergy, the amount by which a resident manager's rent is reduced,  
16 nontaxable income of an American Indian, nontaxable income from sources outside  
17 this state and nontaxable deferred compensation. Intangible drilling costs,  
18 depletion allowances and depreciation, including first-year depreciation allowances  
19 under section 179 of the internal revenue code, amortization, contributions to  
20 individual retirement accounts under section 219 of the internal revenue code,  
21 contributions to Keogh plans, net operating loss carry-forwards and capital loss  
22 carry-forwards deducted in determining Wisconsin adjusted gross income shall be  
23 added to "income". "Income" does not include gifts from natural persons, cash  
24 reimbursement payments made under title XX of the federal social security act,  
25 surplus food or other relief in kind supplied by a governmental agency, the gain on

1 the sale of a personal residence deferred under section 1034 of the internal revenue  
2 code or nonrecognized gain from involuntary conversions under section 1033 of the  
3 internal revenue code. Amounts not included in adjusted gross income but added to  
4 "income" under this subsection in a previous year and repaid may be subtracted from  
5 income for the year during which they are repaid. Scholarship and fellowship gifts  
6 or income that are included in Wisconsin adjusted gross income and that were added  
7 to household income for purposes of determining the credit under this subchapter in  
8 a previous year may be subtracted from income for the current year in determining  
9 the credit under this subchapter. A marital property agreement or unilateral  
10 statement under ch. 766 has no effect in computing "income" for a person whose  
11 homestead is not the same as the homestead of that person's spouse.

12 History: 1987 a. 312,411; 1989 a. 31, 100; 1991 a. 39,195; 1995 a. 27, 201; 1997 a. 27.39.

**SECTION 2. Initial applicability.**

13 (1) This act first applies to taxable years beginning on January 1 of the year  
14 in which this subsection takes effect, except that if this subsection takes effect after  
15 July 31, this act first applies to taxable years beginning on January 1 of the year  
16 following the year in which this subsection takes effect.

17 (END)

**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:** 09/13/1999

**To:** Representative Kreuser

**Relating to LRB drafting number:** LRB-3375

**Topic**

Definition of "income" under the homestead credit

**Subject(s)**

Tax Credits (inc) - homestead

1. **JACKET** the draft for introduction Tim Kreuser

in the **Senate** \_\_\_ or the **Assembly** X (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 \_\_\_\_\_

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

3. Obtain **FISCAL ESTIMATE NOW**, prior to introduction Tim Kreuser

Done  
09-23-99  
11:11  
MB

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