

1999 DRAFTING REQUEST

Bill

Received: 03/9/99

Received By: jkreye

Wanted: As time permits

Identical to LRB:

For: Margaret Farrow (608) 266-9174

By/Representing: Mike

This file may be shown to any legislator: NO

Drafter: shoveme

May Contact:

Alt. Drafters:

Subject: Tax - individual income

Extra Copies:

Pre Topic:

No specific pre topic given

Topic:

Increase capital gains exclusion from 60% to 75%

Instructions:

See Attached

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>
/1	shoveme 03/16/99	gilfokm 03/16/99	lpaasch 03/16/99	_____	lrb_docadmin 03/16/99		State
/2	shoveme 03/19/99	gilfokm 03/19/99	martykr 03/22/99	_____	lrb_docadmin 03/22/99	lrb_docadminState 04/19/99	Tax

FE Sent For:

04-29-99

<END>

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/1	shoveme 03/16/99	gilfokm 03/16/99	lpaasch 03/16/99	_____	lrb_docadmin 03/16/99		State

12 MES 3/19/99
 FE Sent For: *12-3-1999*
3/22 *3/22*
 <END>

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Topic:

I

Increase capital gains exclusion from 65% to 70%

Instructions:

See Attached

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<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
1?	shoveme	1-3-16-99 King	3-16LP.	3-16LP. km			
11 MES 3/16/99							

FE Sent For:

<END>

3-9-99

Sen.
Mike - Margaret Farrow

266-9179

▷ capital gains bump from 60% exclusion to 75%

▷ individual income (and any grey area incog?) -



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-2446/1

MES... King

RMR

1999 BILL

WFO:
fix
topic line

gen

1

AN ACT relating to: the capital gains ^{income} tax exclusion.

Analysis by the Legislative Reference Bureau

Under current law, there is an income tax exclusion for individuals and tax-option corporations for 60% of the net long-term capital gains realized from the sale of assets held for at least one year.

This bill increases the exclusion to 75% of the net long-term capital gains realized from the sale of assets held for at least one year.

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:

2

SECTION 1. 71.05 (6) (b) 9. of the statutes is amended to read:

3

71.05 (6) (b) 9. On assets held more than one year and on all assets acquired

4

from a decedent, ~~60%~~ 75% of the capital gain as computed under the internal revenue

5

code, not including capital gains for which the federal tax treatment is determined

6

under section 406 of P.L. 99-514 and not including amounts treated as ordinary

7

income for federal income tax purposes because of the recapture of depreciation or

BILL

1 any other reason. For purposes of this subdivision, the capital gains and capital
2 losses for all assets shall be netted before application of the percentage.

History: 1987 a. 312; 1987 a. 411 ss. 42, 43, 45, 47 to 49, 51 to 53; 1989 a. 31, 46; 1991 a. 2, 37, 39, 269; 1993 a. 16, 112, 204, 263, 437; 1995 a. 27, 56, 209, 227, 261, 371, 403, 453; 1997 a. 27, 35, 39, 237.

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)



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-2446/1
MES:kmg:lp

1999 BILL

1 **AN ACT to amend** 71.05 (6) (b) 9. of the statutes; **relating to:** the capital gains
2 income tax exclusion.

Analysis by the Legislative Reference Bureau

Under current law, there is an income tax exclusion for individuals and tax-option corporations for 60% of the net long-term capital gains realized from the sale of assets held for at least one year.

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9 (END)



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-2446
MES:kmg:ly

RMK

1999 BILL

SOON

1 AN ACT to amend 71.05 (6) (b) 9. of the statutes; relating to: the capital gains
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Under current law, there is an income tax exclusion for individuals and tax-option corporations for 60% of the net long-term capital gains realized from the sale of assets held for at least one year.

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TAX-EXM

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BILL

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8 following the year in which this subsection takes effect.

9

(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: 3/22/99

To: Senator Farrow

Relating to LRB drafting number: LRB-2446/2

Topic

Increase capital gains exclusion from 60% to 75%

Subject(s)

Tax - individual income

Margaret

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 _____.

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