

**SENATE SUBSTITUTE AMENDMENT 1,  
TO 1999 SENATE BILL 275**

November 9, 1999 – Offered by JOINT COMMITTEE ON FINANCE.

1     **AN ACT** *to repeal* 71.07 (9) (b) 3.; *to amend* 71.07 (9) (g); *to create* 20.835 (2) (am)  
2             and 77.64 of the statutes; and *to affect* 1999 Wisconsin Act 9, section 9143 (3g);  
3             **relating to:** creating a tax rebate for individuals, repealing the school property  
4             tax rent credit, reducing the amount that is available under the school levy tax  
5             credit and making an appropriation.

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

6             **SECTION 1.** 20.835 (2) (am) of the statutes is created to read:  
7             20.835 (2) (am) *Onetime rebate of nonbusiness consumer sales tax.* A sum  
8             sufficient to pay the aggregate claims approved under s. 77.64.

9             **SECTION 2.** 71.07 (9) (b) 3. of the statutes, as created by 1999 Wisconsin Act 9,  
10            is repealed.

11            **SECTION 3.** 71.07 (9) (g) of the statutes, as created by 1999 Wisconsin Act 9, is  
12            amended to read:

1           71.07 (9) (g) No new claim may be filed under this subsection for a taxable year  
2 that begins taxable years beginning after December 31, 2000 1998, and before  
3 January 1, 2001.

4           **SECTION 4.** 77.64 of the statutes is created to read:

5           **77.64 Onetime rebate of nonbusiness consumer sales tax paid by**  
6 **individuals. (1) DEFINITIONS.** In this subsection:

7           (a) “Claimant” means an individual who is eligible under sub. (3) to receive or  
8 claim a rebate under this section.

9           (b) “Department” means the department of revenue.

10          (c) “Nonresident” means an individual who was not a resident of this state for  
11 any part of 1998.

12          (d) “Part-year resident” means an individual who was a resident of this state  
13 for some part of 1998.

14          (e) “Resident” means an individual who was a full-year resident of this state  
15 in 1998.

16          **(2) CLAIMS.** Subject to the limitations and conditions under sub. (5) a claimant  
17 may claim, or is eligible to receive, a rebate that is calculated under sub. (4). The  
18 department shall certify the amount of the rebate for which the claimant is eligible  
19 to the department of administration for payment to the claimant by check, share  
20 draft or other draft paid from the appropriation under s. 20.835 (2) (am).

21          **(3) ELIGIBILITY.** (a) An individual who was a resident and who filed a 1998  
22 Wisconsin income tax return or 1998 homestead credit claim is eligible to receive a  
23 rebate under sub. (2).

24          (b) An individual who was a resident and who did not file a 1998 Wisconsin  
25 income tax return or 1998 homestead credit claim by October 15, 1999, is eligible to

1 receive a rebate under sub. (2) only if the individual files a claim with the department  
2 not later than June 30, 2000. The claim shall be filed on a form prepared by the  
3 department not later than 60 days after the effective date of this paragraph ....  
4 [revisor inserts date].

5 (be) A married individual who is a resident and whose spouse is a nonresident,  
6 and who filed a 1998 Wisconsin income tax return, is eligible to receive a rebate under  
7 sub. (2), calculated by the department based on the couple's Wisconsin adjusted gross  
8 income.

9 (bm) A married individual who is a resident and whose spouse is a nonresident,  
10 and who did not file a 1998 Wisconsin income tax return by October 15, 1999, is  
11 eligible to receive a rebate under sub. (2), calculated by the department, only if the  
12 couple files a claim with the department not later than June 30, 2000. The claim  
13 shall be filed on a form prepared by the department not later than 60 days after the  
14 effective date of this paragraph .... [revisor inserts date].

15 (c) An individual who was a part-year resident and who filed a 1998 Wisconsin  
16 income tax return or a married couple, of whom one of the spouses was a part-year  
17 resident and the other spouse was either a part-year resident or a resident, and who  
18 filed a 1998 Wisconsin income tax return, is eligible to receive a rebate under sub.  
19 (2), calculated by the department based on the individual's or couple's Wisconsin  
20 adjusted gross income.

21 (d) An individual who was a part-year resident and who did not file a 1998  
22 Wisconsin income tax return by October 15, 1999, or a married couple, of whom one  
23 of the spouses was a part-year resident and the other spouse was either a part-year  
24 resident or a resident, and who did not file a 1998 Wisconsin income tax return by  
25 October 15, 1999, is eligible to receive a rebate under sub. (2), calculated by the

1 department, only if the individual or couple files a claim with the department not  
2 later than June 30, 2000. The claim shall be filed on a form prepared by the  
3 department not later than 60 days after the effective date of this paragraph ....  
4 [revisor inserts date].

5 (de) A married individual who is a part–year resident and whose spouse is a  
6 nonresident, and who filed a 1998 Wisconsin income tax return, is eligible to receive  
7 a rebate under sub. (2), calculated by the department based on the couple’s Wisconsin  
8 adjusted gross income.

9 (dm) A married individual who is a part–year resident and whose spouse is a  
10 nonresident, and who did not file a 1998 Wisconsin income tax return by October 15,  
11 1999, is eligible to receive a rebate under sub. (2), calculated by the department, only  
12 if the couple files a claim with the department not later than June 30, 2000. The  
13 claim shall be filed on a form prepared by the department not later than 60 days after  
14 the effective date of this paragraph .... [revisor inserts date].

15 (e) An individual who was a nonresident is eligible to receive a rebate under  
16 sub. (2) if the individual files a claim with the department not later than 30 days after  
17 the effective date of this paragraph .... [revisor inserts date]. The claim shall be filed  
18 on a form prepared by the department. The form shall require a nonresident to  
19 document his or her nonbusiness consumer sales taxes paid to Wisconsin in 1998,  
20 and the documented amount must be at least \$20 for a nonresident to be eligible to  
21 receive a rebate under sub. (2). An individual who was a nonresident is not eligible  
22 to receive a rebate under this paragraph if the individual’s spouse is eligible to  
23 receive a rebate under this subsection.

1           **(4) CALCULATION.** (a) A claimant who is a resident and married and filed a joint  
2           1998 Wisconsin income tax return or 1998 homestead credit claim shall be eligible  
3           for a rebate in one of the following amounts:

4           1. If the couple's 1998 Wisconsin adjusted gross income is not more than  
5           \$25,000, \$368.

6           2. If the couple's 1998 Wisconsin adjusted gross income is more than \$25,000  
7           but not more than \$50,000, \$376.

8           3. If the couple's 1998 Wisconsin adjusted gross income is more than \$50,000  
9           but not more than \$75,000, \$394.

10          4. If the couple's 1998 Wisconsin adjusted gross income is more than \$75,000  
11          but not more than \$100,000, \$414.

12          5. If the couple's 1998 Wisconsin adjusted gross income is more than \$100,000  
13          but not more than \$200,000, \$452.

14          6. If the couple's 1998 Wisconsin adjusted gross income is more than \$200,000  
15          but not more than \$500,000, \$498.

16          7. If the couple's 1998 Wisconsin adjusted gross income is more than \$500,000,  
17          \$546.

18          (b) A claimant who is a resident and single and filed a 1998 Wisconsin income  
19          tax return or 1998 homestead credit claim, or who is a resident and married and filed  
20          a separate 1998 Wisconsin income tax return, or who is a resident and filed a 1998  
21          Wisconsin income tax return as a head of household, shall be eligible for a rebate in  
22          one of the following amounts:

23          1. If the individual's 1998 Wisconsin adjusted gross income is not more than  
24          \$25,000, \$188.

1           2. If the individual's 1998 Wisconsin adjusted gross income is more than  
2 \$25,000 but not more than \$37,500, \$197.

3           3. If the individual's 1998 Wisconsin adjusted gross income is more than  
4 \$37,500 but not more than \$50,000, \$207.

5           4. If the individual's 1998 Wisconsin adjusted gross income is more than  
6 \$50,000 but not more than \$100,000, \$226.

7           5. If the individual's 1998 Wisconsin adjusted gross income is more than  
8 \$100,000 but not more than \$250,000, \$249.

9           6. If the individual's 1998 Wisconsin adjusted gross income is more than  
10 \$250,000, \$273.

11           (c) A claimant who files a form specified in sub. (3) (b) shall be eligible for a  
12 rebate in an amount specified in par. (a) 1. or (b) 1., depending on the individual's  
13 filing status.

14           (d) A claimant to whom sub. (3) (be), (c) or (de) applies shall be eligible for a  
15 rebate in an amount specified in par. (a) or (b), depending on the individual's filing  
16 status and Wisconsin adjusted gross income.

17           (e) A claimant who files a form specified in sub. (3) (bm), (d) or (dm) shall be  
18 eligible for a rebate in an amount specified in par. (a) 1. or (b) 1., depending on the  
19 individual's filing status.

20           (f) A claimant under sub. (3) (e) shall be eligible for a rebate that is equal to  
21 30.4% of documented nonbusiness consumer sales taxes paid to Wisconsin in 1998,  
22 up to a maximum rebate of \$273.

23           **(5) LIMITATIONS AND CONDITIONS.** (a) The department may not consider any  
24 adjustments or amendments made to a 1998 Wisconsin income tax return after  
25 October 15, 1999, in its calculation of a rebate under this section.

1           (b) With regard to a married couple for whom an offset under s. 71.80 (3) or (3m)  
2           must be made against a debt that is owed by only one of the spouses, each spouse shall  
3           be considered by the department to have a 50% ownership interest in the rebate.

4           (c) If an individual who is eligible for a rebate under sub. (3) filed only a 1998  
5           homestead credit claim, the department shall calculate the individual's rebate as if  
6           the individual's Wisconsin adjusted gross income is \$25,000.

7           (d) An individual who was claimed as a dependent on another individual's 1998  
8           federal income tax return is not eligible to claim or receive a rebate under this  
9           section.

10          (e) Section 71.80 (3) and (3m), as it applies to income tax refunds, applies to a  
11          sales tax rebate under this section.

12          (f) The department may enforce the rebate under this section and may take any  
13          action, conduct any proceeding and proceed as it is authorized in respect to taxes  
14          under chapter 71. The income tax provisions in chapter 71 relating to assessments,  
15          refunds, appeals, collection, interest and penalties apply to the rebate under this  
16          section.

17          (g) After a rebate has been issued under sub. (2) but before the check, share  
18          draft or other draft has been cashed, either joint claimant may request a separate  
19          check, share draft or other draft for 50% of the joint rebate.

20          (h) If the department is unable to locate an individual or married couple who  
21          is eligible to receive a rebate under sub. (2) by December 31, 2000, or,  
22          notwithstanding ss. 14.58 (12) and 20.912 (1) and notwithstanding s. 20.912 (2) and  
23          (3), as affected by 1999 Wisconsin Act 9, if an individual or married couple who is  
24          issued a check, share draft or other draft and does not cash the check, share draft or  
25          other draft by December 31, 2000, the right to the rebate lapses.

1 (i) If a claimant who was a resident and who filed a 1998 Wisconsin income tax  
2 return or 1998 homestead credit claim becomes deceased after he or she filed his or  
3 her income tax return or homestead credit claim, the amount of the rebate for which  
4 the claimant is eligible shall be paid to the claimant's estate.

5 (j) The department shall calculate the rebate for the family only of an individual  
6 who has been, or was, incarcerated in a state or federal prison during the taxable year  
7 to which 1999 Wisconsin Act .... (this act) applies.

8 (k) The department may not send any rebate checks to any state or federal  
9 prison facility.

10 **(6) SUNSET.** This section does not apply after December 31, 2000.

11 **SECTION 5.** 1999 Wisconsin Act 9, section 9143 (3g) is repealed.

12 **SECTION 6. Nonstatutory provisions.**

13 (1) DETERMINATIONS OF ELIGIBILITY OR EXTENT OR AMOUNT OF CERTAIN BENEFITS.

14 (a) In this subsection, "state agency" has the meaning given in section 16.417  
15 (1) (a) of the statutes.

16 (b) Notwithstanding any other provision of state law that relates to  
17 determining, based on an individual's personal income or assets, that individual's  
18 eligibility for a state-funded grant, loan, monetary assistance or other benefit or the  
19 amount or extent of that grant, loan, monetary assistance or other benefit, a state  
20 agency may not consider receipt of a onetime rebate of nonbusiness consumer sales  
21 tax under section 77.64 of the statutes, as created by this act, to be income or an asset  
22 of the individual in the month of receipt or in the month immediately thereafter. This  
23 paragraph shall be broadly construed to avoid determinations of ineligibility for a  
24 state-funded grant, loan, monetary assistance or other benefit.



1           (c) By December 1, 1999, the department of health and family services shall  
2 request a waiver, to the extent permitted under federal law, from the secretary of the  
3 federal department of health and human services under 42 USC 1396n (c), and shall  
4 amend the state plan for services under 42 USC 1396, to authorize the department  
5 of health and family services to disregard receipt by an individual of a onetime rebate  
6 of nonbusiness consumer sales tax under section 77.64 of the statutes, as created by  
7 this act, in determining the individual's eligibility for medical assistance under  
8 section 49.46 (1), 49.465 or 49.47 (4) of the statutes.

9           (d) To the extent permitted under federal law, a state agency shall disregard  
10 receipt by an individual of a onetime rebate of nonbusiness consumer sales tax under  
11 section 77.64 of the statutes, as created by this act, in determining the individual's  
12 eligibility for a federally funded grant, loan, monetary assistance or other benefit or  
13 in determining the amount or extent of that grant, loan, monetary assistance or other  
14 benefit.

15           **SECTION 7. Appropriation changes; revenue.**

16           (1) In the schedule under section 20.005 (3) of the statutes for the appropriation  
17 to the department of revenue under section 20.566 (1) (a) of the statutes, as affected  
18 by the acts of 1999, the dollar amount is increased by \$2,357,500 for fiscal year  
19 1999–00 to increase funding for the purposes for which the appropriation is made.

20                           **(END)**