

Assembly Hearing Slip

(Please print plainly)

Date: 7 Jul 99  
Bill No. AB 283  
Or  
Subject  
(Name) Don Nelson  
(Street Address or Route Number) 5 North State Capitol  
(City & Zip Code) Rep. Mark Pettis  
(Representing)

Speaking in favor:   
Speaking against:   
Registering in favor:   
Registering against:   
Speaking for information only:  
Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms:  
Room 411 West  
State Capitol  
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 7/7/99  
Bill No. AB 283  
Or  
Subject  
(Name) Marvin Munyan  
(Street Address or Route Number) 1417 E Main  
(City & Zip Code) WAPELAWN WI 53094  
(Representing) Family Research Institute

Speaking in favor:   
Speaking against:   
Registering in favor:   
Registering against:   
Speaking for information only:  
Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms:  
Room 411 West  
State Capitol  
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 7 July 99  
Bill No. AB 283  
Or  
Subject  
(Name) Rep. Scott Suder  
(Street Address or Route Number) Madison WI  
(City & Zip Code) 69th Assembly District  
(Representing)

Speaking in favor:   
Speaking against:   
Registering in favor:   
Registering against:   
Speaking for information only:  
Neither for nor against:

Please return this slip to a messenger promptly.

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Room 411 West  
State Capitol  
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 7/7/99  
Bill No. AB 283  
Or  
Subject

Tom Curran - DOR  
(Name)

(Street Address or Route Number)

(City & Zip Code)

(Representing)

- Speaking in favor:
- Speaking against:
- Registering in favor:
- Registering against:
- Speaking for information only; Neither for nor against:

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Assembly Sergeant at Arms  
Room 411 West  
State Capitol  
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 7-7-99  
Bill No. AB 283  
Or  
Subject

Senator Margaret Farrow  
(Name)

(Street Address or Route Number)

Waukesha, WI  
(City & Zip Code)

33rd Senate District  
(Representing)

- Speaking in favor:
- Speaking against:
- Registering in favor:
- Registering against:
- Speaking for information only; Neither for nor against:

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Assembly Sergeant at Arms  
Room 411 West  
State Capitol  
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 7 JUL 99

Bill No. AB283

Or Subject

Rep. Mark Pettis

(Name) S Nor TN

(Street Address or Route Number) State Capitol

(City & Zip Code) 26<sup>th</sup> Assembly

(Representing)

Speaking in favor:

Speaking against:

Registering in favor:

Registering against:

Speaking for information only; Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms  
Room 411 West  
State Capitol  
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 7/7

Bill No. AB283

Or Subject

Senator Darling

(Name) 225

(Street Address or Route Number)

(City & Zip Code)

(Representing)

Speaking in favor:

Speaking against:

Registering in favor:

Registering against:

Speaking for information only; Neither for nor against:

Please return this slip to a messenger promptly.


Assembly Sergeant at Arms  
Room 411 West  
State Capitol  
Madison, WI 53702

## 1999 - 2000 LEGISLATURE

**1999 ASSEMBLY BILL 283** 

**April 22, 1999 - Introduced by Representatives Pettis, Suder, Rhoades, Ladwig, Kreibich, Kedzie, Musser, Brandemuehl, Huebsch, Owens, F. Lasee, Klusman, Albers, Freese, Grothman, Gunderson, Hahn, Jeskewitz, Spillner, Seratti and Nass, cosponsored by Senators Schultz, Farrow, Zien, Darling and Roessler. Referred to Committee on Ways and Means.**


Pg1Ln1 **An Act** to amend 71.08 (1) (intro.); and to create 71.07 (6m) and 71.10 (4) (dp)  
Pg1Ln2 of the statutes; relating to: creating a nonrefundable individual income tax  
Pg1Ln3 credit for certain married couples who have dependent children.

**Analysis by the Legislative Reference Bureau**AB283 

This bill creates a \$500 individual income tax credit for certain married couples who have at least one dependent child who is under the age of 18. Under the bill, and subject to some limitations, a married couple is eligible to claim the credit if one of the spouses receives less than \$5,000 in income for work in the year to which the claim relates. The credit is nonrefundable. If the amount of the credit exceeds a taxpayer's tax liability, no refund will be issued.


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:*

AB283, s. 1 

Pg1Ln4

**Section 1.** 71.07 (6m) of the statutes is created to read:

AB283, s. 1 - continued 

Pg1Ln5

71.07 (6m) **Married couple tax credit.** (a) Definitions. In this subsection:

AB283, s. 1 - continued



Pg1Ln6

1. "Claimant" means a married individual who resides with his or her spouse and is eligible to claim the credit under this subsection.

Pg1Ln7

AB283, s. 1 - continued



Pg2Ln1

2. "Dependent" means a child of a claimant or of a claimant's spouse who resides with his or her parents and who is under the age of 18.

Pg2Ln2

AB283, s. 1 - continued



Pg2Ln3

3. "Household" means a claimant and an individual related to the claimant as husband or wife.

Pg2Ln4

AB283, s. 1 - continued



Pg2Ln5

(b) Filing claims. Subject to the limitations provided in this subsection, a claimant who has at least one dependent may claim as a credit against the tax imposed under s. 71.02, up to the amount of those taxes, \$500.

Pg2Ln6

Pg2Ln7

AB283, s. 1 - continued



Pg2Ln8

(c) Limitations. 1. No credit may be allowed under this subsection unless it is claimed within the time period under s. 71.75 (2).

Pg2Ln9

AB283, s. 1 - continued



Pg2Ln10

2. Part-year residents and nonresidents of this state are not eligible for the credit under this subsection.

Pg2Ln11

AB283, s. 1 - continued



Pg2Ln12

3. Only one credit per household is allowed each year.

AB283, s. 1 - continued



Pg2Ln13

4. No credit may be claimed under this subsection if both the claimant and his or her spouse work and if both the claimant and his or her spouse receive \$5,000 or more in income for that work in the year to which the claim relates.

Pg2Ln14

Pg2Ln15

AB283, s. 1 - continued



Pg2Ln16

(d) Administration. The department of revenue may enforce the credit under this subsection and may take any action, conduct any proceeding and proceed as it is authorized in respect to taxes under this chapter. The income tax provisions in this chapter relating to assessments, refunds, appeals, collection, interest and penalties

Pg2Ln17

Pg2Ln18

Pg2Ln19

Pg2Ln20 apply to the credit under this subsection.

AB283, s. 2



Pg2Ln21

**Section 2.** 71.08 (1) (intro.) of the statutes is amended to read:

AB283, s. 2 - continued



Pg2Ln22

Pg2Ln23

Pg2Ln24

Pg2Ln25

Pg3Ln1

Pg3Ln2

Pg3Ln3

Pg3Ln4

Pg3Ln5

71.08 (1) **Imposition.** (intro.) If the tax imposed on a natural person, married couple filing jointly, trust or estate under s. 71.02, not considering the credits under ss. 71.07 (1), (2dd), (2de), (2di), (2dj), (2dL), (2dr), (2ds), (2dx), (2fd), (3m), (3s), (6), (6m) and (9e), 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1fd), (2m) and (3) and 71.47 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1fd), (2m) and (3) and subchs. VIII and IX and payments to other states under s. 71.07 (7), is less than the tax under this section, there is imposed on that natural person, married couple filing jointly, trust or estate, instead of the tax under s. 71.02, an alternative minimum tax computed as follows:

AB283, s. 3



Pg3Ln6

**Section 3.** 71.10 (4) (dp) of the statutes is created to read:

AB283, s. 3 - continued



Pg3Ln7

71.10 (4) (dp) Married couple credit under s. 71.07 (6m).

AB283, s. 4



Pg3Ln8

**Section 4.** Initial applicability.

AB283, s. 4 - continued



Pg3Ln9

Pg3Ln10

Pg3Ln11

Pg3Ln12

Pg3Ln13

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

(End)

Ways & Means Committee  
Preliminary Report on Referred Legislation  
July 19, 1999

Bill: AB 283

Author: Pettis

Date Referred: 04-22-1999

Public Hearing: 07-07-1999

Executive Session:

Relating Clause: creating a nonrefundable individual income tax credit for certain married couples who have dependent children.

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**Comments from Department of Revenue-**

Does not support. This bill moves away from the approach taken by the Governor in the state budget: simplicity. Also has big FE. Perhaps the bill could be modified to better target those of low income. In name of simplification, perhaps the Governor's income tax reform proposal in the budget is the better route to take.

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**Comments from the Author-**

Author's reasoning for introducing legislation:

Author's intent:

To give new tax credit to married couples with dependent children where at least one parent has low (less than \$5k) income. -Encourage a parent to stay home rather than go out and gain a small income.

Does the Author want the legislation moved forward?

Yes     No

If no, do we have this in writing?

Yes     No

Is the legislation in its final form?

Yes     No

If major changes are required, the author shall prepare and introduce the necessary amendments.

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**Comments from potentially affected parties-**

VERY expensive: \$71 million FE. Is author willing to compromise? How much? 1/2, 1/4?  
1/4= \$17.5 million.

Those who do not need the credit also qualify.

Family Research Institute – “Good Bill”

Bill should be modified if intended to include farm families.

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# SCOTT SUDER

State Representative Assembly District

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## TESTIMONY BEFORE THE STATE ASSEMBLY

### WAYS AND MEANS COMMITTEE

## ASSEMBLY BILL 283

Assembly Bill 283 is a measure which provides an income tax credit to lower-income working families. The credit applies to married couples with a child under the age of 18.

Although Representative Pettis is not able to be here today as he has responsibilities he is fulfilling in his district, I want to publicly thank him for his efforts to help Wisconsin's working families.

As a supporter of this bill, let me point out that it just makes sense to provide a \$500 income tax credit to those individuals who are doing their best to try to live the American Dream. This legislation targets tax relief to those who are raising the next generation of Wisconsin youth, our future.

Let me give you yet another reason to chip away at the tax burden of our working families. Unless you have completely tuned out politics for the past 6 months, you know that Wisconsin has some of the highest income and property taxes in the nation.

Some reports list us fourth in overall taxes, despite the fact that we are only 22<sup>nd</sup> in overall income.

That's just plain wrong and AB 283 is one small, but very important step this state can take to bring our taxes in line with our families ability to pay. We recently eliminated the marriage penalty in this great state and we should follow that tradition by scaling back on the income tax penalty on these married couples.

#### Assembly Committee Assignments:

Waste-Cutters Task Force, Chairman • Campaigns and Elections, Vice Chairman • Corrections and the Courts, Vice Chairman • Transportation  
Agriculture • Judiciary and Personal Privacy • American Legislative Exchange Council Criminal Justice Task Force

Representative Pettis and I were sent to these hallowed halls with a mission to deliver income and property tax relief and AB 283 is a great first step in the battle to ease the tax burden on those who are trying their best to live the American dream.

Thank you Chairman Lehman for this opportunity to testify before the Ways and Means Committee today.

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