

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0230/1dn

MES:cjs:rs

October 18, 2000

The indexing provisions in this amendment are based on the current law indexing provisions that relate to the standard deduction in s. 71.05 (22) (dt), and contain a set base year (1999). This procedure is similar to the indexing provisions in the Internal Revenue Code, and is different from the indexing provisions contained in 1999 AB 40, which did not contain a set base year and was based on s. 71.05 (22) (ds). The change in this bill addresses a concern raised by the Department of Revenue in its technical memo to AB 40. Is this OK?

This version of the bill also addresses one other point raised by DOR in its technical memo relating to clarifying the rounding procedure if a revised dollar amount is a multiple of \$10. Is this change OK?

The bill does not index the married persons credit until 2002 because 1999 Wisconsin Act 9, the budget bill, increased the maximum amount that may be claimed under that credit from \$420 to \$480 for taxable years beginning after December 31, 2000. The bill does not index the personal exemptions credit and senior citizens exemption credit under s. 71.07 (8) (a) and (b) because no new claims can be filed for a taxable year that begins after December 31, 1999. See s. 71.07 (8) (d). Is this OK? If this bill is not enacted by July 2001, however, you may need to advance all the initial applicability years to taxable years beginning after December 31, 2001.

Marc E. Shovers  
Senior Legislative Attorney  
Phone: (608) 266-0129  
E-mail: marc.shovers@legis.state.wi.us