

**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2001 ASSEMBLY BILL 318**

August 17, 2001 – Offered by Representative KEDZIE.

1 **AN ACT** *to amend* 71.03 (2) (a) 1. and 71.05 (23) (b) 3.; and *to create* 71.05 (23)
2 (b) 4. and 71.05 (23) (b) 5. of the statutes; **relating to:** increasing the amount
3 of the individual income tax personal exemption for certain older taxpayers.

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

4 **SECTION 1.** 71.03 (2) (a) 1. of the statutes is amended to read:
5 71.03 **(2)** (a) 1. Every individual domiciled in this state during the entire
6 taxable year who has a gross income at or above a threshold amount which shall be
7 determined annually by the department of revenue. The threshold amounts shall
8 be determined for categories of individuals based on filing status and age, and shall
9 include categories for single individuals; individuals who file as a head of household;
10 married couples who file jointly; and married persons who file separately. The
11 threshold amounts shall also be determined by taking into account the exemption
12 amounts in s. 71.05 (23) (b) 1., 3., 4., and 5. The department of revenue shall establish

1 a threshold amount for each category of individual at an amount at which no
2 individual in that category whose gross income is below that amount has a state
3 income tax liability.

4 **SECTION 2.** 71.05 (23) (b) 3. of the statutes is amended to read:

5 71.05 **(23)** (b) 3. An Except for a taxpayer or his or her spouse who claims the
6 exemption under subd. 4. or 5., an additional exemption of \$250 if the taxpayer has
7 reached the age of 65 before the close of the taxable year to which his or her tax return
8 relates and \$250 for the taxpayer's spouse if he or she has reached the age of 65 before
9 the close of the taxable year to which his or her tax return relates, except if the spouse
10 is filing separately or as a head of household.

11 **SECTION 3.** 71.05 (23) (b) 4. of the statutes is created to read:

12 71.05 **(23)** (b) 4. Except for a taxpayer or his or her spouse who claims the
13 exemption under subd. 5., an additional exemption of \$300 if the taxpayer has
14 reached the age of 70 before the close of the taxable year to which his or her tax return
15 relates and \$300 for the taxpayer's spouse if he or she has reached the age of 70 before
16 the close of the taxable year to which his or her tax return relates, except if the spouse
17 is filing separately or as a head of household.

18 **SECTION 4.** 71.05 (23) (b) 5. of the statutes is created to read:

19 71.05 **(23)** (b) 5. An additional exemption of \$350 if the taxpayer has reached
20 the age of 75 before the close of the taxable year to which his or her tax return relates
21 and \$350 for the taxpayer's spouse if he or she has reached the age of 75 before the
22 close of the taxable year to which his or her tax return relates, except if the spouse
23 is filing separately or as a head of household.

24 **SECTION 5. Initial applicability.**

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

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(END)