

2001 DRAFTING REQUEST

Bill

Received: 02/23/2001

Received By: jkreye

Wanted: As time permits

Identical to LRB:

For: Dan Meyer (608) 266-7141

By/Representing: eric

This file may be shown to any legislator: NO

Drafter: shoveme

May Contact:

Addl. Drafters:

Subject: Tax - individual income

Extra Copies:

Submit via email: NO

Requester's email:

Pre Topic:

No specific pre topic given

Topic:

Exempt social security benefits from individual income tax

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<br>03/13/2001 | gilfokm<br>03/13/2001 | pgreensl<br>03/14/2001 |                | lrb_docadmin<br>03/14/2001 | lrb_docadminState<br>04/26/2001 | Tax             |

FE Sent For:

<END>

At Intro.

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|--------------|----------------|-------------------|--------------|----------------|------------------|-----------------|-----------------|
| 1?           | shoveme        | 1-3/king<br>13-01 | 3/14<br>pg   | 3/14<br>SELF   |                  |                 |                 |

11 MES 3/13/01

FE Sent For:

<END>

2-23-01.

Exemption - social security benefits =  
exempt from taxation -  
eliminate the taxation.

Rep. Don Meyer

Eric 266-7141.

no rush



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRB-2635/1

MES...:.....  
*kmj*

2001 BILL

1 AN ACT <sup>*gen*</sup> relating to: increasing the amount of the individual income tax  
2 subtract modification for social security benefits.

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*Analysis by the Legislative Reference Bureau* *is*

In general, under current law, 50% of certain social security benefits ~~are~~ taxed by this state once the recipient's income reaches \$34,000 for a single individual or \$44,000 for a married couple filing jointly, while the federal government taxes 85% of these same benefits. This bill exempts from taxation completely the social security benefits which are included in the calculation of a taxpayer's federal adjusted gross income.

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to this bill.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

3 SECTION 1. 71.05 (6) (b) 21. of the statutes is amended to read:  
4 71.05 (6) (b) 21. The ~~difference between the~~ amount of social security benefits  
5 included in federal adjusted gross income for the current year ~~and the amount as~~

**BILL**

**SECTION 1**

1 calculated under section 86 of the ~~internal revenue code as that section existed on~~  
2 December 31, 1992 Internal Revenue Code.

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; 1999 a. 9, 32, 44, 54, 65, 167.

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, <sup>✓</sup> 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

## LEGISLATIVE REFERENCE BUREAU

100 NORTH HAMILTON STREET  
5TH FLOOR  
MADISON, WI 53701-2037

STEPHEN R. MILLER  
CHIEF

LEGAL SECTION: (608) 266-3561  
LEGAL FAX: (608) 264-6948

March 14, 2001

### MEMORANDUM

To: Representative D. Meyer

From: Marc E. Shovers, Senior Legislative Attorney

Re: LRB-2635 Exempt social security benefits from individual income tax

The attached draft was prepared at your request. Please review it carefully to ensure that it is accurate and satisfies your intent. If it does and you would like it jacketed for introduction, please indicate below for which house you would like the draft jacketed and return this memorandum to our office. If you have any questions about jacketing, please call our program assistants at 266-3561. Please allow one day for jacketing.

JACKET FOR ASSEMBLY  JACKET FOR SENATE

If you have any questions concerning the attached draft, or would like to have it redrafted, please contact me at (608) 266-0129 or at the address indicated at the top of this memorandum.

If the last paragraph of the analysis states that a fiscal estimate will be prepared, the LRB will request that it be prepared after the draft is introduced. You may obtain a fiscal estimate on the attached draft before it is introduced by calling our program assistants at 266-3561. Please note that if you have previously requested that a fiscal estimate be prepared on an earlier version of this draft, you will need to call our program assistants in order to obtain a fiscal estimate on this version before it is introduced.

Please call our program assistants at 266-3561 if you have any questions regarding this memorandum.