

2001 Jr2 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB1)

Received: 03/13/2002

Received By: shoveme

Wanted: As time permits

Identical to LRB:

For: Frank Boyle (608) 266-0640

By/Representing: Marylou

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

Pre Topic:

No specific pre topic given

Topic:

Increase individual income tax rates and brackets to 1999 levels

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 03/13/2002	jdye 03/13/2002	kfollet 03/14/2002	_____	lrb_docadmin 03/14/2002	lrb_docadmin 03/14/2002	

FE Sent For:

<END>

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1?	shoveme	1 3/13/02	1 3/13/02 hmk	_____	_____	_____	_____
11 MES		3/13/02		_____	_____	_____	_____

FE Sent For:

<END>

Rep Boyle - May 10/04

change income tax rates

& brackets back to

what they were before

2000 -

ie rates & brackets

of 1997-99 will apply

for 77 beginning on

4/1/02



State of Wisconsin
 2001 - 2002 LEGISLATURE
 January 2002 Special Session

LRBb2563/1
 MES...j.....

jld (RMR)

~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~

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

D-note

1 At the locations indicated, amend the substitute amendment as follows:
 2 **1.** Page 66, line 15: after that line insert:
 3 "SECTION 170n. 71.06 (1m) (intro.)[✓] of the statutes is amended to read:
 4 71.06 (1m) FIDUCIARIES, SINGLE INDIVIDUALS AND HEADS OF HOUSEHOLDS; 1997 TO
 5 1999 AND AFTER 2001.[✓] (intro.) The tax to be assessed, levied and collected upon the
 6 taxable incomes of all fiduciaries, except fiduciaries of nuclear decommissioning
 7 trust or reserve funds, and single individuals and heads of households shall be
 8 computed at the following rates for taxable years beginning after
 9 December 31, 1997, and before January 1, 2000, and for taxable years beginning
 10 after December 31, 2001.[✓]
 11 History: 1987 a. 312; 1989 a. 31; 1993 a. 16; 1997 a. 27, 41, 237; 1999 a. 9; 2001 a. 16[✓]
 SECTION 170nb. 71.06 (1p) (intro.) of the statutes is amended to read:

1 **71.06 (1p) FIDUCIARIES, SINGLE INDIVIDUALS AND HEADS OF HOUSEHOLDS; AFTER-2000**
2 2001. (intro.) The tax to be assessed, levied and collected upon the taxable incomes
3 of all fiduciaries, except fiduciaries of nuclear decommissioning trust or reserve
4 funds, and single individuals and heads of households shall be computed at the
5 following rates for taxable years beginning after December 31, 2000, and before
6 January 1, 2002: ✓

7 History: 1987 a. 312; 1989 a. 31; 1993 a. 16; 1997 a. 27, 41, 237; 1999 a. 9; 2001 a. 16. ✓

7 **SECTION 170nc.** 71.06 (2) (c) (intro.) of the statutes is amended to read:

8 71.06 (2) (c) (intro.) For joint returns, for taxable years beginning after
9 December 31, 1997, and before January 1, 2000, and for taxable years beginning
10 after December 31, 2001: ✓

11 History: 1987 a. 312; 1989 a. 31; 1993 a. 16; 1997 a. 27, 41, 237; 1999 a. 9; 2001 a. 16. ✓

11 **SECTION 170nd.** 71.06 (2) (d) (intro.) of the statutes is amended to read:

12 71.06 (2) (d) (intro.) For married persons filing separately, for taxable years
13 beginning after December 31, 1997, and before January 1, 2000, and for taxable
14 years beginning after December 31, 2001: ✓

15 History: 1987 a. 312; 1989 a. 31; 1993 a. 16; 1997 a. 27, 41, 237; 1999 a. 9; 2001 a. 16. ✓

15 **SECTION 170nf.** 71.06 (2) (g) (intro.) of the statutes is amended to read:

16 71.06 (2) (g) (intro.) For joint returns, for taxable years beginning after
17 December 31, 2000, and before January 1, 2002: ✓

18 History: 1987 a. 312; 1989 a. 31; 1993 a. 16; 1997 a. 27, 41, 237; 1999 a. 9; 2001 a. 16. ✓

18 **SECTION 170ng.** 71.06 (2) (h) (intro.) of the statutes is amended to read:

19 71.06 (2) (h) (intro.) For married persons filing separately, for taxable years
20 beginning after December 31, 2000, and before January 1, 2002: ✓

21 History: 1987 a. 312; 1989 a. 31; 1993 a. 16; 1997 a. 27, 41, 237; 1999 a. 9; 2001 a. 16.

21 **SECTION 170nh.** 71.06 (2e) of the statutes is amended to read:

22 71.06 (2e) BRACKET INDEXING. For taxable years beginning after
23 December 31, 1998, and before January 1, 2000, and for taxable years beginning

as affected by 2001 Wisconsin Act 16,

1 after December 31, 2001, the maximum dollar amount in each tax bracket, and the
2 corresponding minimum dollar amount in the next bracket, under subs. (1m) and (2)
3 (c) and (d), and for taxable years beginning after December 31, 1999, and before
4 January 1, 2002,[✓] the maximum dollar amount in each tax bracket, and the
5 corresponding minimum dollar amount in the next bracket, under subs. (1n), (1p),
6 and (2) (e), (f), (g), and (h), shall be increased each year by a percentage equal to the
7 percentage change between the U.S. consumer price index for all urban consumers,
8 U.S. city average, for the month of August of the previous year and the U.S. consumer
9 price index for all urban consumers, U.S. city average, for the month of August 1997,
10 as determined by the federal department of labor, except that for taxable years
11 beginning after December 31, 2000, and before January 1, 2002, the dollar amount
12 in the top bracket under subs. (1p) (c) and (d), (2) (g) 3. and 4. and (h) 3. and 4. shall
13 be increased by a percentage equal to the percentage change between the U.S.
14 consumer price index for all urban consumers, U.S. city average, for the month of
15 August of the previous year and the U.S. consumer price index for all urban
16 consumers, U.S. city average, for the month of August 1999, as determined by the
17 federal department of labor. Each amount that is revised under this subsection shall
18 be rounded to the nearest multiple of \$10 if the revised amount is not a multiple of
19 \$10 or, if the revised amount is a multiple of \$5, such an amount shall be increased
20 to the next higher multiple of \$10. The department of revenue shall annually adjust
21 the changes in dollar amounts required under this subsection and incorporate the
22 changes into the income tax forms and instructions.

History: 1987 a. 312; 1989 a. 31; 1993 a. 16; 1997 a. 27, 41, 237; 1999 a. 9; [✓]2001 a. 16.

23 **SECTION 170ni.** 71.06 (2s) (b) of the statutes is amended to read:

1 71.06 (2s) (b) For taxable years beginning after December 31, 1997, and before
2 January 1, 2000, and for taxable years beginning after December 31, 2001, with
3 respect to nonresident individuals, including individuals changing their domicile
4 into or from this state, the tax brackets under subs. (1m) and (2) (c) and (d) shall be
5 multiplied by a fraction, the numerator of which is Wisconsin adjusted gross income
6 and the denominator of which is federal adjusted gross income. In this paragraph,
7 for married persons filing separately “adjusted gross income” means the separate
8 adjusted gross income of each spouse, and for married persons filing jointly “adjusted
9 gross income” means the total adjusted gross income of both spouses. If an individual
10 and that individual’s spouse are not both domiciled in this state during the entire
11 taxable year, the tax brackets under subs. (1m) and (2) (c) and (d) on a joint return
12 shall be multiplied by a fraction, the numerator of which is their joint Wisconsin
13 adjusted gross income and the denominator of which is their joint federal adjusted
14 gross income.

History: 1987 a. 312; 1989 a. 31; 1993 a. 16; 1997 a. 27, 41, 237; 1999 a. 9; 2001 a. 16.

15 **SECTION 170nj.** 71.06 (2s) (d) of the statutes is amended to read:

16 71.06 (2s) (d) For taxable years beginning after December 31, 2000, and before
17 January 1, 2002, with respect to nonresident individuals, including individuals
18 changing their domicile into or from this state, the tax brackets under subs. (1p) and
19 (2) (g) and (h) shall be multiplied by a fraction, the numerator of which is Wisconsin
20 adjusted gross income and the denominator of which is federal adjusted gross
21 income. In this paragraph, for married persons filing separately “adjusted gross
22 income” means the separate adjusted gross income of each spouse, and for married
23 persons filing jointly “adjusted gross income” means the total adjusted gross income
24 of both spouses. If an individual and that individual’s spouse are not both domiciled

1 in this state during the entire taxable year, the tax brackets under subs. (1p) and (2)
2 (g) and (h) on a joint return shall be multiplied by a fraction, the numerator of which
3 is their joint Wisconsin adjusted gross income and the denominator of which is their
4 joint federal adjusted gross income.”.

History: 1987 a. 312; 1989 a. 31; 1993 a. 16; 1997 a. 27, 41, 237; 1999 a. 9; 2001 a. 16.

5 (END)

D-note

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

LRBb2563/7dn

MES.....

jd

Representative Boyle:

I believe that this amendment accomplishes your goal in that it changes the individual income tax rates and brackets back to the levels that applied to taxable years 1998 and 1999. You may want to have the department of revenue review this draft. If the budget adjustment bill, as affected by this amendment, is not enacted by approximately July 31, 2002, the amendment may need to be changed so that it first applies to taxable years beginning on January 1, 2003.

Marc E. Shovers
Senior Legislative Attorney
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**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb2563/1dn
MES:jld:hmh

March 14, 2002

Representative Boyle:

I believe that this amendment accomplishes your goal in that it changes the individual income tax rates and brackets back to the levels that applied to taxable years 1998 and 1999. You may want to have the department of revenue review this draft. If the budget adjustment bill, as affected by this amendment, is not enacted by approximately July 31, 2002, the amendment may need to be changed so that it first applies to taxable years beginning on January 1, 2003.

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