

## 2001 SENATE JOINT RESOLUTION 57

January 29, 2002 – Introduced by Senators JAUCH, HARSDORF, M. MEYER, SCHULTZ, A. LASEE, DARLING, PLACHE, BAUMGART, ROSENZWEIG and BURKE, cosponsored by Representatives RHOADES, PETTIS, PLOUFF, HUEBSCH, BOYLE, SHILLING, JOHNSRUD, KREIBICH, FREESE, JESKEWITZ, SYKORA, GUNDERSON, GRONEMUS, OWENS, TOWNSEND, URBAN, TURNER, HINES, LASSA, VRAKAS, MILLER, RYBA, COGGS and HUBLER. Referred to Committee on Universities, Housing, and Government Operations.

1       **Relating to:** urging the Minnesota legislature to continue the income tax reciprocity  
2           agreement between Minnesota and Wisconsin.

3           Whereas, the income tax reciprocity agreement between Wisconsin and  
4       Minnesota is designed to simplify the income tax filing process for taxpayers who live  
5       in one state and work in the other; and

6           Whereas, Wisconsin currently has income tax reciprocity agreements with  
7       Illinois, Michigan, Indiana, and Kentucky, as well as Minnesota; and

8           Whereas, Wisconsin's long-standing income tax reciprocity agreement with  
9       Minnesota has been in place for 34 years, having originally been enacted in 1968; and

10          Whereas, the governor of Minnesota has proposed ending the reciprocity  
11       agreement with Wisconsin; and

12          Whereas, the reciprocity agreement has been a tremendous convenience for  
13       residents in both Wisconsin and Minnesota, allowing those affected taxpayers to file  
14       one income tax return instead of one income tax return for each state; and

1           Whereas, ending the reciprocity agreement between Wisconsin and Minnesota  
2 would cause Wisconsin to incur significant revenue losses in the first 2 fiscal years  
3 following the end of the agreement due to Wisconsin’s continued obligation to make  
4 payments to Minnesota for prior tax years; and

5           Whereas, elimination of the Minnesota–Wisconsin reciprocity agreement  
6 would result in a tremendous inconvenience and an increase in the cost of filing  
7 returns for tax filers in both Minnesota and Wisconsin; and

8           Whereas, eliminating the Minnesota–Wisconsin reciprocity agreement will  
9 potentially jeopardize other cooperative agreements between Minnesota and  
10 Wisconsin, such as the tuition reciprocity agreement; and

11           Whereas, eliminating the reciprocity agreement between Minnesota and  
12 Wisconsin will amount to an income tax increase on the 22,000 citizens of Minnesota  
13 that work in Wisconsin; and

14           Whereas, ending the reciprocity agreement between Wisconsin and Minnesota  
15 would likely result in higher administrative costs to process more complex tax forms;  
16 now, therefore, be it

17           ***Resolved by the senate, the assembly concurring, That*** the Wisconsin  
18 legislature urges the Minnesota legislature to continue the income tax reciprocity  
19 agreement between our 2 states, thereby continuing a valuable and important  
20 benefit to the citizens of both states, and to maintain and build upon the cooperative  
21 relationships that have been developed between Wisconsin and Minnesota over the  
22 past decade; and, be it further

