

2003 ASSEMBLY BILL 155

March 13, 2003 – Introduced by Representatives MUSSER, LOEFFELHOLZ, FREESE, LASSA, PETTIS, SERATTI, TURNER, J. FITZGERALD, PLOUFF, MCCORMICK, HAHN, KRAWCZYK, SUDER, OWENS, ALBERS, BIES, GUNDERSON, HINES and AINSWORTH, cosponsored by Senators SCHULTZ, KEDZIE, WELCH, STEPP and WIRCH. Referred to Committee on Veterans and Military Affairs. Referred to Joint Committee on Tax Exemptions.

1 **AN ACT** *to create* 71.05 (6) (b) 34. of the statutes; **relating to:** creating an
2 individual income tax exemption for pay received from the federal government
3 by members of a reserve component of the armed forces who serve on active
4 duty.

Analysis by the Legislative Reference Bureau

This bill creates an individual income tax exemption for pay received from the federal government by a member of a reserve component of the armed forces who is called to active duty. The exemption applies to any amounts of military pay that are paid to the person and that relate to the period of time during which the person is on active duty.

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.

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

5 **SECTION 1.** 71.05 (6) (b) 34. of the statutes is created to read:

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1 71.05 **(6)** (b) 34. Any amount of basic, special, and incentive pay income or
2 compensation, as those terms are used in 37 USC chapters 3 and 5, received from the
3 federal government by a person who is a member of a reserve component of the U.S.
4 armed forces, as defined in 26 USC 7701 (a) (15), that is paid to the person for a period
5 of time during which the person is on active duty.

6 **SECTION 2. Initial applicability.**

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

11

(END)