

2003 DRAFTING REQUEST

Bill

Received: **01/29/2004**

Received By: **jkreye**

Wanted: **Today**

Identical to LRB:

For: **Phil Montgomery (608) 266-5840**

By/Representing: **rose**

This file may be shown to any legislator: **NO**

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Tax - estate**

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Montgomery@legis.state.wi.us**

Carbon copy (CC:) to: **joseph.kreye@legis.state.wi.us**

Pre Topic:

No specific pre topic given

Topic:

Estate tax on the transfer of property within this state's jurisdiction

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>
/?	jkreye 01/29/2004	jdyer 01/29/2004 jdyer 01/29/2004		_____			State
/1			jfrantze 01/29/2004	_____	mbarman 01/29/2004	mbarman 01/29/2004	

Vers. Drafted Reviewed Typed Proofed Submitted Jacketed Required

FE Sent For: 01/29/2004.

 A handwritten arrow points from the left towards a circled number '1'.

<END>

2003 DRAFTING REQUEST

Bill

Received: 01/29/2004

Received By: jkreye

Wanted: Today

Identical to LRB:

For: Phil Montgomery (608) 266-5840

By/Representing: rose

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters:

Subject: Tax - estate

Extra Copies:

Submit via email: YES

Requester's email: Rep.Montgomery@legis.state.wi.us

Carbon copy (CC:) to: joseph.kreye@legis.state.wi.us

Pre Topic:

No specific pre topic given

Topic:

Estate tax on the transfer of property within this state's jurisdiction

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>
/?	jkreye 01/29/2004	jdyer 01/29/2004 jdyer 01/29/2004					State
/1			jfrantze 01/29/2004		mbarman 01/29/2004		

Vers. Drafted Reviewed Typed Proofed Submitted Jacketed Required

FE Sent For:

"/i" 1/29/04
per Rose

<END>

2003 DRAFTING REQUEST

Bill

Received: 01/29/2004

Received By: jkreye

Wanted: Today

Identical to LRB:

For: Phil Montgomery (608) 266-5840

By/Representing: rose

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters:

Subject: Tax - estate

Extra Copies:

Submit via email: YES

Requester's email: Rep.Montgomery@legis.state.wi.us

Carbon copy (CC:) to: joseph.kreye@legis.state.wi.us

Pre Topic:

No specific pre topic given

Topic:

Estate tax on the transfer of property within this state's jurisdiction

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?	jkreye	4/29 jld	7/21/29	Self 1/29			

FE Sent For:

<END>

Kreye, Joseph

From: Smyrski, Rose
Sent: Thursday, January 29, 2004 8:51 AM
To: Kreye, Joseph
Subject: Wisconsin estate tax reciprocity

As I mentioned in my voicemail message, below is the language that needs to be amended to correct the estate tax reciprocity problem that will occur after the end of this calendar year.

Any questions, please give me a call.
Rose Smyrski

72.11 Subjects liable.

(1) Residents and nonresidents. A tax is imposed upon any transfer of property to any distributee in the following cases:

- (a) When the transfer is from a person who dies while a resident of this state.
- (b) When the transfer is of property within the jurisdiction of this state and the decedent was not a resident of this state at the time of the decedent's death, subject to subsection (2).

~~**(2) Exception; reciprocity as to nonresident decedents.** A transfer, which is made taxable under this chapter and is of a nonresident decedent's intangible personal property is not subject to the tax imposed by this chapter if a like exemption is allowed at the time of the death of the decedent by the laws of the state, territory or district of the decedent's residence in favor of residents of this state. This subsection does not apply unless a tax is imposed on the transfer of the decedent's property by the laws of the state, territory or district of the decedent's residence.~~

(2) Limitation as to certain nonresident decedents. For purposes of subsection (1)(b), the words "property within the jurisdiction of this state" in the case of a nonresident decedent who resided in another state, territory or district of the United States shall be limited to real property located in this state and tangible personal property having a permanent situs in this state, but only if such other state, territory or district does not impose a transfer tax upon death with respect to the intangible personal property of a decedent who was a resident of this state at the time of the decedent's death.

4155/1

RM not R stays

~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~

m 1-30-04

Today

Regen

- 1 AN ACT *to repeal and recreate* 72.11; and *to create* 72.01 (20) of the statutes;
- 2 relating to: the imposition of the estate tax on the transfer of property within
- 3 this state's jurisdiction.

Analysis by the Legislative Reference Bureau

Under current law, the state imposes an estate tax on any transfer of property to a person from a decedent who is a resident of this state at the time of the decedent's death and on any transfer of property to a person from a decedent who is not a resident of this state at the time of the decedent's death, if the transfer is within the jurisdiction of this state. However, a transfer of a nonresident decedent's intangible personal property is not subject to this state's estate tax if a similar exemption favoring the residents of this state is allowed at the time of the decedent's death by the laws of the state, territory, or district of the United States in which the decedent resided.

Under this bill, "property within the jurisdiction of this state" means, with respect to a nonresident decedent who resided in another state or in the District of Columbia, the commonwealth of Puerto Rico, or any other territory, or possession of the United States, real property located in this state and tangible personal property having a permanent situs in this state, if the other state, district, territory, or possession does not impose a transfer tax upon death with respect to the intangible personal property of a decedent who was a resident of this state at the time of the decedent's death.

Kreye, Joseph

From: Boycks, Brad
Sent: Wednesday, January 28, 2004 5:00 PM
To: Kreye, Joseph
Subject: RE: Here's a copy of the draft you requested.

Joe-

Can I get this as a /1 so I can circulate it for co-sponsorships?

Thanks-

Brad

-----Original Message-----

From: Kreye, Joseph
Sent: Thursday, January 22, 2004 3:12 PM
To: Boycks, Brad
Subject: Here's a copy of the draft you requested.

<< File: 03-1842/P2 >>

Joseph T. Kreye
Legislative Attorney
Legislative Reference Bureau
(608) 266-2263

Barman, Mike

From: Mathy, Michael
Sent: Thursday, January 29, 2004 12:22 PM
To: LRB.Legal
Subject: Draft review: LRB 03-4155/1 Topic: Estate tax on the transfer of property within this state's jurisdiction

It has been requested by <Mathy, Michael> that the following draft be jacketed for the ASSEMBLY:

Draft review: LRB 03-4155/1 Topic: Estate tax on the transfer of property within this state's jurisdiction



State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

1 EAST MAIN, SUITE 200
P. O. BOX 2037
MADISON, WI 53701-2037

LEGAL SECTION: (608) 266-3561
REFERENCE SECTION: (608) 266-0341
FAX: (608) 264-6948

STEPHEN R. MILLER
CHIEF

February 13, 2004

MEMORANDUM

To: Representative Montgomery

From: Joseph T. Kreye, Legislative Attorney, (608) 266-2263

Subject: Technical Memorandum to **AB-793** (LRB 03-4155/1)

We received the attached technical memorandum relating to your bill. This copy is for your information and your file. If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

MEMORANDUM

February 11, 2004

TO: Marc Shovers
Legislative Reference Bureau

FROM: Dennis Collier
Department of Revenue

SUBJECT: Technical Memorandum on LRB 4155/01: Estate Tax on the Transfer of Property Within This State's Jurisdiction

Because it repeals the current reciprocity language of sec. 72.11(2), Wis. Stats., this bill appears to allow Wisconsin to impose the state estate tax on the intangible assets of a nonresident decedent that are under the jurisdiction of the state of Wisconsin when the decedent's state of residence has a transfer tax. If this is not the intent, the bill should either retain the current language of sec. 72.11 or retain and renumber current sec. 72.11(2) as sec. 72.11(3) in the bill.

The Department interprets the definition of "property within the jurisdiction of this state" to apply only to property of residents of states or other jurisdictions that do not have tax on transfers at death.

The effective date should be for deaths occurring on or after January 1, 2005 to correspond to the repeal of the federal pick up tax or state death tax credit.

If you have questions regarding this technical memorandum, please contact Karyn Kriz at 261-8984.