



2003 ASSEMBLY BILL 787

February 2, 2004 - Introduced by Representative UNDERHEIM. Referred to
Committee on Ways and Means.

1 **AN ACT to amend** 71.07 (5) (a) 7. of the statutes; **relating to:** including net
2 gambling losses in the calculation of the individual income tax itemized
3 deduction credit.

Analysis by the Legislative Reference Bureau

This bill modifies the nonrefundable itemized deductions credit. Under current law, the itemized deductions credit is calculated as 5 percent of the difference between the sum of certain amounts that are allowed as itemized deductions under the Internal Revenue Code and the standard deduction. Some amounts that are allowed as itemized deductions under the Internal Revenue Code, such as casualty and theft deductions, miscellaneous deductions, and interest incurred to purchase or refinance a residence that is not a principal residence and that is not located in this state, are not allowed in the calculation of the itemized deductions credit. Gambling losses, to the extent of a taxpayer's gambling winnings, are a miscellaneous itemized deduction under the Internal Revenue Code and may not be used in the calculation of the itemized deductions credit.

Under this bill, a taxpayer may include gambling losses in the calculation of his or her itemized deductions credit.

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:

