

2005 DRAFTING REQUEST

Assembly Amendment (AA-AB816)

Received: **01/06/2006**

Received By: **mshovers**

Wanted: **As time permits**

Identical to LRB:

For: **John Townsend (608) 266-3156**

By/Representing: **Matt**

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

Drafter: **mshovers**

May Contact:

Addl. Drafters:

Subject: **Tax, Individual - income**

Extra Copies:

Submit via email: **YES**

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

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Tax preferred accounts for children help support parents; DOR receives payment information

Instructions:

See Attached. Make sure that DOR may track payments, billing information.

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	mshovers 02/02/2006	wjackson 02/02/2006	jfrantze 02/03/2006	_____	sbasford 02/03/2006	sbasford 02/03/2006	
/2	mshovers 02/06/2006	lkunkel 02/06/2006	jfrantze 02/06/2006	_____	lemery 02/06/2006	lemery 02/06/2006	

FE Sent For:

<END>

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12 MES 2/6/06 1/2/mk 2/6
[Signature]
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/? mshovers

1, WJ 2/2

J. Self
2/3

1/1 MES 2/2/06

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

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

~~Tax preferred accounts for children help support parents; include Christian Science practitioners~~

Instructions:

See Attached. ~~Make sure the bill will cover Christian Science practitioners.~~

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/?	mshovers			_____			

FE Sent For:

<END>

Shovers, Marc

From: Pulda, Matt
Sent: Friday, January 27, 2006 11:30 AM
To: Shovers, Marc
Cc: Gates-Hendrix, Sherrie; Nelson, Kirstin B
Subject: FW: DOR's tech memo on AB 816

Marc,

I've shared DOR's feedback with Rep. Townsend and told him your suggestions for an amendment, and he would like you to draft an amendment to AB 816 along the lines you described below. As you probably know, the Assembly insurance committee plans to hold a hearing on AB 816 on Feb. 9, and we would like to have the amendment introduced by then.

Thanks!

Matt

From: Nelson, Kirstin B
Sent: Friday, January 27, 2006 9:51 AM
To: Pulda, Matt
Cc: Shovers, Marc; Gates-Hendrix, Sherrie
Subject: RE: DOR's tech memo on AB 816

Hi Matt,

The Department would rather have an amendment as we generally prefer to reference the statutes rather than promulgate rules.

Let me know if you have any other questions.

Regards,
Kirstin

From: Pulda, Matt [<mailto:Matt.Pulda@legis.state.wi.us>]
Sent: Thursday, January 26, 2006 12:12 PM
To: Nelson, Kirstin B
Cc: Shovers, Marc
Subject: FW: DOR's tech memo on AB 816

Kirstin,

I know it's been a while since we've communicated on this, but I have asked the bill drafter for his thoughts about the concerns you raised regarding tracking/reporting requirements in AB 816, and I have his response below.

As you can see, Marc says this issue is something that can be dealt with either through an amendment to the bill or through administrative rule should the bill become law, and I would like to know if DOR has a preference or any other suggestions.

Thanks!

Matt Pulda
Rep. Townsend's office
6-3156

From: Shovers, Marc
Sent: Thursday, January 26, 2006 11:52 AM
To: Pulda, Matt
Subject: DOR's tech memo on AB 816

Hi Matt:

You asked about DOR's concerns regarding the tracking of the use of parental health care expense accounts. You also asked whether DOR has the authority to impose some sort of reporting requirement, or if some sort of requirements could be added to the bill.

I think that either option could work. DOR has a lot of authority to do whatever it believes is necessary to administer the income tax chapter. See, for example, s. 71.80 (1) (c) of the statutes:

71.80(1)(c)

(c) The department may make such regulations as it shall deem necessary in order to carry out this chapter.

Under this statute, I believe that DOR could promulgate the rules it believes are necessary to administer the accounts created in the bill.

You could also amend the bill to require submissions for payment by, or reimbursement from, a financial institution under s. 71.10 (10) (c), as created by the bill, to be made on a form created by DOR; require the beneficiary or sponsor to submit receipts to the financial institution; and require the financial institution to send a copy of the form, with payment and receipt information, to DOR.

You may want to discuss with DOR whether the agency would prefer to act under s. 71.80 (1) (c) or have the bill amended as I've outlined, or if DOR has any other suggestions to address its concerns.

Marc

Marc E. Shovers

Senior Legislative Attorney
Legislative Reference Bureau
Phone: (608) 266-0129
Fax: (608) 264-8522
e-mail: marc.shovers@legis.state.wi.us



State of Wisconsin
2005 - 2006 LEGISLATURE

LRBa2080/7
MES.....

wlj
RMR

~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~

ASSEMBLY AMENDMENT, ✓
TO 2005 ASSEMBLY BILL 816 ✓

WANTED!
Fri P.M.

At the locations indicated, amend the bill as follows:

1. Page 4, line 8: delete lines 8 to 13 and substitute:

“(c) *Payment of claims.* 1. If a beneficiary incurs costs for health care expenses, the beneficiary, the sponsor, or the entity providing the goods or services to the beneficiary may submit a form, created by the department of revenue, that summarizes the costs incurred and payment and beneficiary information, along with a copy of the bill, or a copy of the receipt if the beneficiary or sponsor has paid for the health care expenses, to the financial institution at which the account created under this subsection is established.

2. The financial institution shall pay the bill, or reimburse the beneficiary or sponsor, if sufficient funds to do so are in the account. The financial institution shall

also send a copy of the materials it received, as described under subd. 1., along with payment information, to the department of revenue.”

(END)



State of Wisconsin
2005 - 2006 LEGISLATURE

LRBa2080/1

MES:wli/af

Handwritten initials and a circled signature: "RMT" and "STWS"

ASSEMBLY AMENDMENT,
TO 2005 ASSEMBLY BILL 816

today

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4 the beneficiary, the sponsor, or the entity providing the goods or services to the
5 beneficiary may submit a form, created by the department of revenue, that
6 summarizes the costs incurred and payment and beneficiary information, along with
7 a copy of the bill, or a copy of the receipt if the beneficiary or sponsor has paid for the
8 health care expenses, to the financial institution at which the account created under
9 this subsection is established.

NO FF (more up)

10 (2) The financial institution shall pay the bill, or reimburse the beneficiary or
11 sponsor, if sufficient funds to do so are in the account. ~~The financial institution shall~~

1

also send a copy of the materials it received, as described under subd. 1., along with
payment information, to the department of revenue." ←

2

3

(END)