



State of Wisconsin

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STEPHEN R. MILLER
CHIEF

March 13, 2006

MEMORANDUM

To: Representative Montgomery

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

Subject: Technical Memorandum to **2005 AB-1084 by DOR** (LRB 05-3437/4)

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

March 9, 2006

TO: Joe Kreye
Legislative Reference Bureau

FROM: Paul Ziegler
Department of Revenue

SUBJECT: Technical Memorandum on AB 1084 Creating an Income and Franchise Tax Credit for Sales Tax Paid on Rights to Purchase Season Tickets

Section 71.07 (3w) (b) provides that the new credit may offset the alternative minimum taxes under ss. 71.02 and 71.08. However, s. 71.10 (4) (cp) places the new credit before the alternative minimum tax in the order of computation under s. 71.10 (4). If the intent is to allow the new credit to offset the alternative minimum tax, the new credit should be after par. (f) in the order of computation, and s. 71.08 (1) should be amended to add the new credit to the list of credits not considered when computing alternative minimum tax.

If the intent is to not allow the new credit to offset alternative minimum tax, the reference to s. 71.08 in s. 71.07 (3w) (b) should be deleted.

If you have any questions regarding this technical memorandum, please contact Blair Kruger at (608) 266-1310 or bkruger@dor.state.wi.us.

cc: Rep. Montgomery