

2005 DRAFTING REQUEST

Bill

Received: 10/05/2004

Received By: mshovers

Wanted: As time permits

Identical to LRB:

For: Spencer Black (608) 266-7521

By/Representing: Bill Graf

This file may be shown to any legislator: NO

Drafter: mshovers

May Contact:

Addl. Drafters:

Subject: Tax, Individual - income credit

Extra Copies:

Submit via email: YES

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

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Nonrefundable individual income tax credit for child, dependent care

Instructions:

See Attached. Redraft 2003 AB 966 (LRB -1457/1)

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>
/?	mshovers 10/05/2004	lkunkel 10/22/2004 lkunkel 11/02/2004		_____			State
/1			rschluet 11/02/2004	_____	lnorthro 11/02/2004	lnorthro 11/08/2004	

**LRB-0443**

11/08/2004 11:33:44 AM

Page 2

Vers.    Drafted    Reviewed    Typed    Proofed    Submitted    Jacketed    Required

FE Sent For:

<END>

**2005 DRAFTING REQUEST**

**Bill**

Received: **10/05/2004**

Received By: **mshovers**

Wanted: **As time permits**

Identical to LRB:

For: **Spencer Black (608) 266-7521**

By/Representing: **Bill Graf**

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

Drafter: **mshovers**

May Contact:

Addl. Drafters:

Subject: **Tax, Individual - income credit**

Extra Copies:

Submit via email: **YES**

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

Carbon copy (CC:) to:

---

**Pre Topic:**

No specific pre topic given

---

**Topic:**

Nonrefundable individual income tax credit for child, dependent care

---

**Instructions:**

See Attached. Redraft 2003 AB 966 (LRB -1457/1)

---

**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>
/?	mshovers 10/05/2004	lkunkel 10/22/2004 lkunkel 11/02/2004		_____			State
/1			rschluet 11/02/2004	_____	lnorthro 11/02/2004		

FE Sent For:

## 2005 DRAFTING REQUEST

### Bill

Received: 10/05/2004

Received By: mshovers

Wanted: As time permits

Identical to LRB:

For: Spencer Black (608) 266-7521

By/Representing: Bill Graf

This file may be shown to any legislator: NO

Drafter: mshovers

May Contact:

Addl. Drafters:

Subject: Tax, Individual - income credit

Extra Copies:

Submit via email: YES

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

Carbon copy (CC:) to:

---

### Pre Topic:

No specific pre topic given

---

### Topic:

Nonrefundable individual income tax credit for child, dependent care ✓

---

### Instructions:

See Attached. Redraft 2003 AB 966 (LRB -1457/1)

---

### 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>
--------------	----------------	-----------------	--------------	----------------	------------------	-----------------	-----------------

/?	mshovers	1/mk 10/22					
----	----------	------------	--	--	--	--	--

11 MES 10/4/04

FE Sent For:

1 jld 1/2

<END>

## Basford, Sarah

---

**From:** Graf, Bill  
**Sent:** Tuesday, October 05, 2004 11:33 AM  
**To:** LRB.Legal  
**Subject:** drafting requests

Please have the following 2003-04 bills redrafted for introduction in the 2005-06 session. Let me know if there are questions or if you need further information. Thank you.

AB 30 - ~~JK~~ RCT  
AB 46 - ~~MES~~ RCT  
AB 242 - JK  
AB 648 - JK  
AB 708 - PJK  
AB 852 - JTK  
AB 853 - JTK  
AB 854 - MDK  
AB 889 - PG  
AB 930 - DAK  
AB 958 - MDK  
AB 965 - PJK  
AB 966 - MES  
AB 967 - PJL  
AB 968 - GMM  
AB 969 - RCT  
AJR 41 - PSD  
AJR 47 - PSD  
LRB 4121 - AJR-77 - PSD

**Bill Graf**  
Research Assistant

**State Representative**  
**Spencer Black**

214 North, State Capitol / P.O. Box 8952  
Madison, WI 53708-8952  
(608) 266-7521

-0443/1  
mk + jld  
h mmk

2003 ASSEMBLY BILL 966

March 11, 2004 - Introduced by Representatives BLACK, RICHARDS, BERCEAU, SINICKI, MILLER, PLOUFF, J. LEHMAN and POCAN, cosponsored by Senators RISSER, CARPENTER and CHVALA. Referred to Committee on Rules.

re  
gen

- 1 AN ACT to create 71.07 (6e) and 71.10 (4) (ce) of the statutes; relating to:
- 2 creating a nonrefundable individual income tax credit for certain expenses
- 3 related to child or dependent care.

**Analysis by the Legislative Reference Bureau**

Under current federal law there is an individual income tax credit for a portion of qualifying child or dependent care expenses that are paid for the purpose of enabling a taxpayer to be gainfully employed. An eligible claimant must maintain a household for a "qualifying individual," which is defined as a dependent under the age of 13, a disabled spouse, or another disabled individual who is a dependent of the taxpayer. The federal credit is nonrefundable, meaning that no refund is paid if the amount of the credit exceeds the taxpayer's tax liability. Generally, the maximum credit is \$1,050 if the taxpayer has one qualifying individual and his or her federal adjusted gross income (FAGI) is less than \$15,000; or the maximum credit is \$2,100 if the taxpayer has more than one qualifying individual and his or her FAGI is less than \$15,000. The maximum credit is phased down as the taxpayer's FAGI increases such that, generally, for a taxpayer with FAGI above \$43,000, the maximum credit is \$600 for an individual with one qualifying and the maximum credit is \$1,200 if the taxpayer has more than one qualifying individual.

\*OK?

This bill creates a nonrefundable individual income tax credit that is equal to 50% of the amount that is claimed by an individual under this federal credit. 50 percent

**ASSEMBLY BILL 966**

✓ 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:*

X  
1       **SECTION 1.** 71.07 (6e) of the statutes is created to read:

2       71.07 (6e) CHILD AND DEPENDENT CARE EXPENSES CREDIT. (a) *Definitions*. In this  
3       ✓ subsection:

4       1. "Claimant" means an individual who is eligible for, and claims, the federal  
5       credit. ✓

6       2. "Federal credit" means the federal tax credit, for expenses for household and  
7       dependent care services necessary for gainful employment, under section 21 of the  
8       ✓ Internal Revenue Code. ✓

9       (b) *Filing claims*. Subject to the limitations provided in this subsection, ✓ a  
10      claimant may claim as a credit against the tax imposed under s. 71.02, ✓ up to the  
11      amount of those taxes, an amount equal to <sup>50 percent</sup> 50% of the amount of the credit claimed  
12      by the claimant under the federal credit in the year to which the claim relates. ✓

13      (c) *Limitations*. 1. No credit may be allowed under this ✓ subsection unless it  
14      is claimed within the time period under s. 71.75 (2). ✓

15      2. For a claimant who is a nonresident or part-year resident of this state and  
16      who is a single person or a married person filing a separate return, multiply the  
17      credit for which the claimant is eligible under par. (b) ✓ by a fraction the numerator of  
18      which is the individual's ✓ Wisconsin adjusted gross income and the denominator of  
19      which is the individual's federal adjusted gross income. If a claimant is married and  
20      files a joint return, and if the claimant or the claimant's spouse, or both, are  
21      nonresidents or part-year residents of this state, multiply the credit for which the

**ASSEMBLY BILL 966**

1 claimant is eligible under par. (b) by a fraction the numerator of which is the couple's  
2 joint Wisconsin adjusted gross income and the denominator of which is the couple's  
3 joint federal adjusted gross income.

4 (d) *Administration*. Subsection (9e) (d), to the extent that it applies to the credit  
5 under that subsection, applies to the credit under this subsection.

6 **SECTION 2.** 71.10 (4) (ce) of the statutes is created to read:

7 71.10 (4) (ce) The child and dependent care expenses credit under s. 71.07 (6e).

8 **SECTION 3. Initial applicability.**

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

13 (END)



## Northrop, Lori

---

**From:** Zimmerman, Terri  
**Sent:** Friday, November 05, 2004 4:29 PM  
**To:** LRB.Legal  
**Subject:** Draft review: LRB 05-0443/1 Topic: Nonrefundable individual income tax credit for child, dependent care

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

Draft review: LRB 05-0443/1 Topic: Nonrefundable individual income tax credit for child, dependent care