



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2005 Assembly Bill 380

**Assembly
Amendments 1 and 2**

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Current law provides a state income tax exemption for income received from the federal government for members of the National Guard and Reserves who are called into active federal service under either 10 U.S.C. s. 12302 (Iraq duty under Ready Reserve Call-Up) or 10 U.S.C. s. 12304 (shorter tours under the Presidential Selective Reserve Call-Up). In addition, the exemption is provided for those called into special state service under 32 U.S.C. s. 502 (f) (airport security duty after September 11, 2001).

Assembly Bill 380 extends the tax exemption to include National Guard and Reserves members who are called into federal active service under 10 U.S.C. s. 12301. This duty is currently called Operation Noble Eagle and includes such activities as the 115th Fighter Wing flying airliner security missions and the 832nd Air Ambulance Company performing medivac flights at Ft. Lewis, Washington in place of deployed active duty units.

Assembly Amendment 1 clarifies, in conformity with Department of Revenue administrative rule s. Tax 3.04, that the tax exemption in current law for special state service call-up is not available to members of a reserve component of the U.S. Armed Forces who are serving on active duty or full-time duty in the Active Guard Reserve program under 32 U.S.C. s. 502 (f).

Assembly Amendment 2 makes the bill's tax exemption for persons called to federal active service under 10 U.S.C. s. 12301 (Operation Noble Eagle) retroactive to January 1, 2004.

Legislative History

On May 4, 2005, the Assembly Committee on Military Affairs introduced Assembly Amendment 2 by unanimous consent and adopted Assembly Amendments 1 and 2 and recommended passage of Assembly Bill 380, as amended, on a vote of Ayes, 8; and Noes, 0.

PS:rv