

2007 DRAFTING REQUEST

Bill

Received: 01/10/2007

Received By: mshovers

Wanted: As time permits

Identical to LRB:

For: Eugene Hahn (608) 266-3404

By/Representing: Michael Austin

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.Hahn@legis.wisconsin.gov

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Nonrefundable individual income tax credit for certain health insurance premiums

Instructions:

See Attached. Nonref. credit for health ins. premiums paid by an employee whose employer pays part of their thealth insurance. Only applies to TPs who are not able to calim the subtraction under s. 71.05 (6) (b) 35.

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>
/?							State
/1	mshovers 01/26/2007	jdye 02/07/2007	nmatzke 02/07/2007		sbasford 02/07/2007 mbarman 02/09/2007	mbarman 02/09/2007	

FE Sent For: @ intro.  
2-21-2007

<END>

### 2007 DRAFTING REQUEST

**Bill**

Received: 01/10/2007

Wanted: As time permits

For: Eugene Hahn (608) 266-3404

This file may be shown to any legislator: NO

May Contact:

Subject: Tax, Individual - income credit

Submit via email: YES

Requester's email: Rep.Hahn@legis.wisconsin.gov

Carbon copy (CC:) to:

Received By: mshovers

Identical to LRB:

By/Representing: Michael Austin

Drafter: mshovers

Addl. Drafters:

Extra Copies:

*changed  
- see  
attached*

**Pre Topic:**

No specific pre topic given

**Topic:**

Nonrefundable individual income tax credit for certain health insurance premiums

**Instructions:**

See Attached. Nonref. credit for health ins. premiums paid by an employee whose employer pays part of their thealth insurance. Only applies to TPs who are not able to calim the subtraction under s. 71.05 (6) (b) 35.

**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>
/?							State
/1	mshovers 01/26/2007	jdye 02/07/2007	nmatzke 02/07/2007		sbasford 02/07/2007		
					mbarman 02/09/2007		

*e-mail only*

FE Sent For:

<END>

2007 DRAFTING REQUEST

Bill

Received: 01/10/2007

Received By: mshovers

Wanted: As time permits

Identical to LRB:

For: Kitty Rhoades (608) 266-1526

By/Representing: Char

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.Rhoades@legis.wisconsin.gov

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Nonrefundable individual income tax credit for certain health insurance premiums

Instructions:

See Attached. Nonref. credit for health ins. premiums paid by an employee whose employer pays part of their thealth insurance. Only applies to TPs who are not able to calim the subtraction under s. 71.05 (6) (b) 35.

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>
/?				_____			State
/1	mshovers 01/26/2007	jdye 02/07/2007	nmatzke 02/07/2007	_____	sbasford 02/07/2007		

FE Sent For:

<END>

**2007 DRAFTING REQUEST**

**Bill**

Received: **01/10/2007**

Received By: **mshovers**

Wanted: **As time permits**

Identical to LRB:

For: **Kitty Rhoades (608) 266-1526**

By/Representing: **Char**

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.Rhoades@legis.wisconsin.gov**

Carbon copy (CC:) to:

---

**Pre Topic:**

No specific pre topic given

---

**Topic:**

Nonrefundable individual income tax credit for certain health insurance premiums

---

**Instructions:**

See Attached. Nonref. credit for health ins. premiums paid by an employee whose employer pays part of their health insurance. Only applies to TPs who are not able to claim the subtraction under s. 71.05 (6) (b) 35.

---

**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 3/4 jld	nwn 2/7	nwn 2/7			
/1 MES 1/26/07							

FE Sent For:

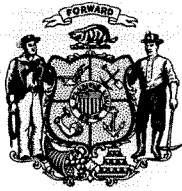
<END>

Rep. Rhoades

4-8613  
Char

nonref. indiv. income tax credit for  
premiums paid by EEs whose ER  
pays a part of their health ins.

~~Only~~ Only applies to T Pers who  
are not able to claim subtraction  
under R. 71.05 (6)(b) 35,



State of Wisconsin  
2007 - 2008 LEGISLATURE

LRB-1603/7

MES:m...i...

*Tatures -  
per requester*

*jcd* *RMR*

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

*gen*

1 AN ACT ...; relating to: creating a nonrefundable individual income tax credit for  
2 certain medical care insurance policy premiums. ✓

***Analysis by the Legislative Reference Bureau***

This bill creates a nonrefundable individual income tax credit for amounts paid by a claimant for medical care insurance premiums for a policy that covers the claimant, the claimant's spouse, and the claimant's dependents. ✓ To be eligible for a the credit, the claimant must be the employee of another person, ✓ and the claimant's employer must pay part, but not all, of the costs of the claimant's medical care insurance. Because the credit is nonrefundable, ✓ it may be claimed only up to the amount of the claimant's tax liability. ✓

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:***

3 SECTION 1. 71.07 (6f) ✓ of the statutes is created to read:

4 71.07 (6f) HEALTH INSURANCE PREMIUM TAX CREDIT. (a) *Definitions.* ✓ In this  
5 subsection. ✓



1           1. "Claimant"<sup>✓</sup> means an individual who is the employee of another person and  
2 who claims a credit under this subsection.

3           2. "Medical care insurance"<sup>✓</sup> means a medical care insurance policy that covers  
4 the individual, his or her spouse, and the individual's dependents<sup>✓</sup> and provides  
5 surgical, medical, hospital, major medical, or other health service coverage, and  
6 includes payments made for medical care benefits under a<sup>✓</sup> self-insured plan, but  
7 "medical care insurance" does not include hospital indemnity policies or policies with  
8 ancillary benefits such as accident benefits or benefits for loss of income resulting  
9 from a total or partial inability to work because of illness, sickness, or injury.<sup>✓</sup>

10          3. "Premium amount"<sup>✓</sup> means the amount of medical care insurance policy  
11 premiums paid by a claimant in the taxable year to which a claim under this  
12 subsection relates.

13          (b) *Filing claims.*<sup>✓</sup> Subject to the limitations provided in this<sup>✓</sup> subsection, a  
14 claimant may claim as a credit against the tax imposed under s. 71.02,<sup>✓</sup> up to the  
15 amount of those taxes, the claimant's premium amount if the claimant's employer  
16 pays part, but not all, of the premiums on the claimant's medical care insurance  
17 policy.

18          (c) *Limitations.*<sup>✓</sup> 1. No credit may be allowed under this subsection<sup>✓</sup> unless it  
19 is claimed within the time period under s. 71.75 (2).<sup>✓</sup>

20          2. For a claimant who is a nonresident or part-year<sup>✓</sup> resident of this state and  
21 who is a single person or a married person filing a separate return, multiply the  
22 credit for which the claimant is eligible under par. (b)<sup>✓</sup> by a fraction the numerator of  
23 which is the individual's Wisconsin adjusted gross income and the denominator of  
24 which is the individual's federal adjusted gross income.<sup>✓</sup> If a claimant is married and  
25 files a joint return, and if the claimant or the claimant's spouse, or both, are

1 ✓ nonresidents or part-year ✓ residents of this state, multiply the credit for which the  
2 claimant is eligible under par. (b) ✓ by a fraction the numerator of which is the couple's  
3 joint Wisconsin adjusted gross income and the denominator of which is the couple's  
4 joint federal adjusted gross income.

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

7 **SECTION 2.** 71.10 <sup>x</sup> (4) (ce) of the statutes is created to read:

8 71.10 (4) (ce) The health ✓ <sup>insurance premium</sup> ~~savings account~~ tax credit under s. 71.07 (6f) ✓.

9 **SECTION 3. Initial applicability.**

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

14 (END)

## Basford, Sarah

---

**From:** Vrieze, Charlene  
**Sent:** Wednesday, February 07, 2007 4:47 PM  
**To:** Shovers, Marc  
**Cc:** Austin, Michael; Moore, Kevin; Basford, Sarah  
**Subject:** Rhoades LRB Draft 1603/1 re: Health Ins. Premiums

Marc!

Thanks for getting the health insurance premiums bill to me! We're now handing this legislation over to Rep. Hahn and his staff. All correspondence from you on this draft can go to their office, instead. I've cc'd his staff contact, Mike, on this e-mail.

Again, my thanks.

Best,

Char

Charlene Vrieze  
Finance Policy Advisor  
Office of State Representative Kitty Rhoades  
30th Assembly District  
State Capitol, Room 309E  
P.O. Box 8953  
Madison, WI 53708-8953

Tel: 608-266-1526  
Toll-Free: 1-888-529-0030  
Fax: 608-282-3630

**Basford, Sarah**

---

**From:** Austin, Michael  
**Sent:** Friday, February 09, 2007 8:27 AM  
**To:** Basford, Sarah  
**Subject:** LRB 1603/1

Hi Sarah.

If you could please jacket LRB 1603/1 related to: creating a nonrefundable individual income tax credit for certain medical care insurance policy premiums.

Thanks.

**Michael Austin**  
**Office of Rep. Eugene Hahn**  
**(608) 266-3404**

## **Basford, Sarah**

---

**From:** Basford, Sarah  
**Sent:** Friday, February 09, 2007 8:29 AM  
**To:** Austin, Michael  
**Cc:** Shovers, Marc; Vrieze, Charlene  
**Subject:** RE: LRB 1603/1

I will take care of it and transfer the file to you office. Sorry about the confusion. Thanks!

### **Sarah Basford**

Program Assistant  
Legislative Reference Bureau  
1 East Main, Suite 200  
(608) 266-3561  
sarah.basford@legis.wisconsin.gov

---

**From:** Austin, Michael  
**Sent:** Friday, February 09, 2007 8:27 AM  
**To:** Basford, Sarah  
**Subject:** LRB 1603/1

Hi Sarah.

If you could please jacket LRB 1603/1 related to: creating a nonrefundable individual income tax credit for certain medical care insurance policy premiums.

Thanks.

**Michael Austin**  
**Office of Rep. Eugene Hahn**  
(608) 266-3404

**Barman, Mike**

---

**From:** Austin, Michael  
**Sent:** Friday, February 09, 2007 8:39 AM  
**To:** LRB.Legal  
**Cc:** Basford, Sarah  
**Subject:** Draft Review: LRB 07-1603/1 Topic: Nonrefundable individual income tax credit for certain health insurance premiums

Please Jacket LRB 07-1603/1 for the ASSEMBLY.