



State of Wisconsin

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STEPHEN R. MILLER
CHIEF

March 12, 2007

MEMORANDUM

To: Representative Owens

From: Marc E. Shovers, Sr. Legislative Attorney, (608) 266-0129

Subject: Technical Memorandum to **2007 ASA1-AB109** (LRBs0034/1) **by DOR**

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.

M E M O R A N D U M

March 9, 2007

TO: Marc Shovers
Legislative Reference Bureau

FROM: Rebecca Boldt
Department of Revenue

SUBJECT: Technical Memorandum on LRBs0034/1, Assembly Substitute Amendment to
Assembly Bill 109: Creating a Deduction for Charitable Mileage Reimbursement

The Department has the following concerns related to the bill:

Section 71.07(6)(b)39 refers to "a deductible charitable contribution under 26 USC 170." Charitable contributions are only deductible for federal tax purposes. Wisconsin has the itemized deduction credit, but does not conform to the federal treatment of charitable deductions. It would be better to amend the itemized deduction credit in sec. 71.07(5) to provide that the amount claimed as a charitable deduction for mileage expenses cannot be used for the itemized deduction credit to the extent that such amount is also claimed as a subtract modification under sec. 71.05(6)(b)39.

If you have any questions regarding this technical memorandum, please contact Brad Caruth at (608) 261-8984 or bradley.caruth@dor.state.wi.us.

cc: Representative Owens