



# State of Wisconsin

## LEGISLATIVE REFERENCE BUREAU

1 EAST MAIN, SUITE 200  
P. O. BOX 2037  
MADISON, WI 53701-2037

LEGAL SECTION: (608) 266-3561  
REFERENCE SECTION: (608) 266-0341  
FAX: (608) 264-6948

STEPHEN R. MILLER  
CHIEF

March 28, 2007

## MEMORANDUM

**To:** Representative Vos

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

**Subject:** Technical Memorandum to **2007 AB 190** (LRB-2019/1) by **DOR**

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We received the attached technical memorandum relating to your bill. This copy is for your information and your file. The first three items mentioned by DOR are typos that have been corrected in a Chief Clerk's Correction.

If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

**MEMORANDUM**

March 21, 2007

**TO:** Marc Shovers  
Legislative Reference Bureau

**FROM:** Rebecca Boldt  
Department of Revenue

**SUBJECT:** Technical Memorandum on Assembly Bill 190: Reducing All Income Tax Rates

The Department has the following concerns related to the bill:

Section 1 of the bill creates s. 71.05(2)(j). Because the various tax rates are located in s. 71.06, this should create s. 71.06(2)(j) instead of s. 71.05(2)(j). The reference to 71.05(2)(j) on line 3 of page 1 should also be changed.

Section 10, page 5, line 17 adds a reference to sub. (1r). There does not appear to be a sub. (1r) and this reference should be deleted.

Section 6, page 3, line 17 provides the rates for taxable years beginning after December 31, 2006, and before January 1, 2008. This would limit these rates only for tax years beginning in 2007 whereas it should apply to all taxable years beginning after December 31, 2006. The words “, and before January 1, 2008” should be deleted.

Because the reduced rates apply for 2007, there would be a problem if this bill was enacted late in 2007 after forms were finalized. In addition, the department and software firms need sufficient time to program computers.

The proposed legislation makes no provision for the funding of the costs involved in administering the activities required. If the author wishes to provide funding, appropriation language could be developed and costs allocated in the following manner:

	<b>Chapter 20</b>	<b>Amount</b>
one-time	s. 20.566 (1) (a)	\$ 40,000

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

cc: Representative Vos