

## 2007 DRAFTING REQUEST

### Bill

Received: **05/09/2007**

Received By: **mshovers**

Wanted: **As time permits**

Identical to LRB:

For: **Jim Sullivan (608) 266-2512**

By/Representing: **Matt**

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

Drafter: **mshovers**

May Contact:

Adtl. Drafters: **rnelson2**

Subject: **Tax, Individual - income  
Veterans - miscellaneous**

Extra Copies:

Submit via email: **YES**

Requester's email: **Sen.Sullivan@legis.wisconsin.gov**

Carbon copy (CC:) to:

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### Pre Topic:

No specific pre topic given

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### Topic:

Individual income tax checkoff for military family relief fund

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### Instructions:

Senate companion for LRB -2277/1

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### 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 05/09/2007	jdye 05/09/2007		_____			State
/1			sherritz 05/09/2007	_____	mbarman 05/09/2007	cduerst 05/22/2007	

FE Sent For:

*at 11:00  
5/25/07*

<END>

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1/?	mshovers	1 5/9 jld	sh 5/9	sh 5/9			
11	MES	5/9/07					

FE Sent For:

<END>

# RESEARCH APPENDIX - Draft Transfer/Copy Request Form

- Atty's please complete this form and give to Mike Barman

(Request Made By: MES) (Date: 5/9/07)



Please transfer the drafting file for

2005 LRB \_\_\_\_\_ to the drafting file

for 2007 LRB \_\_\_\_\_

The final version of the 2005 draft and the final Request Sheet will be copied on yellow paper, and returned to the original 2005 drafting file. A new cover sheet will be created/included listing the new location of the drafting file's "guts".

For research purposes, because the 2005 draft was incorporated into a 2007 draft, the complete drafting file will be transferred, as a separate appendix, to the new 2007 drafting file. This request form will be inserted into the "guts" of the 2007 draft. If introduced, the appendix will be scanned/added to the electronic drafting file folder.

**--OR--**

Please copy the drafting file for

2007 LRB -22771 \_\_\_\_\_ (include the version) and place it in the

drafting file for 2007 LRB -2688 \_\_\_\_\_

For research purposes, because the original 2007 draft was incorporated into another 2007 draft, the original drafting file will be copied on yellow paper (darkened/auto centered/reduced to 90%) and added, as a separate appendix, to the new 2007 drafting file. This request form will be inserted into the "guts" of the new 2007 draft. If introduced the appendix will be scanned/added to the electronic drafting file folder.

The original drafting file will then returned, intact, to its folder and filed. For future reference, a copy of the transfer/copy request form will also be added to the "guts" of the original draft.

-2688/1

stays

RMR

2007 BILL

SOON

gen ✓

1 AN ACT to amend 20.566 (1) (hp); and to create 20.465 (2) (r), 21.22, 25.17 (1)  
 2 (jx), 25.38 and 71.10 (5i) of the statutes; relating to: providing financial aid to  
 3 military families, creating an individual income tax checkoff for the military  
 4 family relief fund, providing an exemption from emergency rule procedures,  
 5 granting rule-making authority, and making an appropriation.

*Analysis by the Legislative Reference Bureau*

Under current law, an individual income tax check-off procedure exists that allows an individual who files a return to designate any amount of additional payment or any amount of a refund due for the endangered resources program. Similar checkoffs exist to provide payments to several other programs, including a veterans trust fund, prostate cancer research, multiple sclerosis programs, a fire fighters memorial, and a breast cancer research program, and to provide a donation to a professional football stadium district. This bill creates a similar income tax checkoff for designations to the military family relief fund.

Under the bill, an individual who has an income tax liability, is due a refund, or is required to file a return may designate any amount of additional payment, or any amount of a refund due, to the military family relief fund on his or her income tax return. If an individual's designation exceeds the amount of his or her refund, he or she must include a check with his or her tax return for the difference between the amount of the designation and the amount of the refund. If an individual who makes a contribution has a tax liability or has no tax liability and is due no refund,

**BILL**

he or she must include a check for the amount of the designation with his or her tax return.

The bill requires that an amount equal to the total amount of designations received, less the total cost of administering the income tax check-off procedure, be deposited in the military family relief fund. The bill requires the Department of Military Affairs (DMA) to use the money from the military family relief fund to provide financial aid to the immediate family of members of the national guard or reservists who are serving in active duty in the U.S. armed forces. DMA is required to promulgate rules establishing eligibility criteria and the amount of the financial aid.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1           **SECTION 1.** 20.465 (2) (r) of the statutes is created to read:

2           20.465 (2) (r) *Military family relief.* All moneys received from the military  
3 family relief fund for the payment of financial aid to military families under s. 21.22  
4 and for all of the administrative costs that the department incurs in making those  
5 payments.

6           **SECTION 2.** 20.566 (1) (hp) of the statutes is amended to read:

7           20.566 (1) (hp) ~~*Administration of endangered resources; professional football*~~  
8 ~~*district; breast cancer research; fire fighters memorial; veterans trust fund; multiple*~~  
9 ~~*sclerosis programs; prostate cancer research*~~ *income tax checkoff voluntary payments.*

10 The amounts in the schedule for the payment of all administrative costs, including  
11 data processing costs, incurred in administering ss. 71.10 (5), (5e), (5f), (5fm), (5g),  
12 (5h), (5i), and (5m), and 71.30 (10). All moneys specified for deposit in this  
13 appropriation under ss. 71.10 (5) (h) 5., (5e) (h) 4., (5f) (i), (5fm) (i), (5g) (i), (5h) (i),  
14 (5i) (i), and (5m) (i), and 71.30 (10) (i) and (11) (i) shall be credited to this  
15 appropriation.

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1           **SECTION 3.** 21.22 of the statutes is created to read:

2           **21.22 Military family financial aid.** (1) In this section:

3           (a) "Immediate family" means the spouse and dependent children of a service  
4 member who are residents of this state.

5           (b) "Service member" means a member of a reserve unit of the U.S. armed forces  
6 or of the national guard who is a resident of this state and who is serving on active  
7 duty in the U.S. armed forces.

8           (2) The department of military affairs shall provide financial aid to eligible  
9 members of the immediate family of service members. The department of military  
10 affairs shall promulgate rules establishing eligibility criteria and the amount of  
11 financial aid.

12           **SECTION 4.** 25.17 (1) (jx) of the statutes is created to read:

13           25.17 (1) (jx) Military family relief fund (s. 25.38);

14           **SECTION 5.** 25.38 of the statutes is created to read:

15           **25.38 Military family relief fund.** There is established a separate  
16 nonlapsible trust fund designated as the military family relief fund. The fund shall  
17 consist of money deposited in the fund under s. 71.10 (5i) (i), together with all  
18 donations, gifts, or bequests made to the fund.

19           **SECTION 6.** 71.10 (5i) of the statutes is created to read:

20           **71.10 (5i) MILITARY FAMILY RELIEF FUND CHECKOFF.** (a) *Definitions.* In this  
21 subsection:

22           1. "Department" means the department of revenue.

23           2. "Military family relief fund" means the fund under s. 25.38.

24           (b) *Voluntary payments.* 1. 'Designation on return.' Every individual filing an  
25 income tax return who has a tax liability or is entitled to a tax refund may designate

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1 on the return any amount of additional payment or any amount of a refund due that  
2 individual for the military family relief fund.

3 2. 'Designation added to tax owed.' If the individual owes any tax, the  
4 individual shall remit in full the tax due and the amount designated on the return  
5 for the military family relief fund when the individual files a tax return.

6 3. 'Designation deducted from refund.' Except as provided in par. (d), if the  
7 individual is owed a refund for that year after crediting under ss. 71.75 (9) and 71.80  
8 (3) and (3m), the department shall deduct the amount designated on the return for  
9 the military family relief fund from the amount of the refund.

10 (c) *Errors; failure to remit correct amount.* If an individual who owes taxes fails  
11 to remit an amount equal to or in excess of the total of the actual tax due, after error  
12 corrections, and the amount designated on the return for the military family relief  
13 fund:

14 1. The department shall reduce the designation for the military family relief  
15 fund to reflect the amount remitted in excess of the actual tax due, after error  
16 corrections, if the individual remitted an amount in excess of the actual tax due, after  
17 error corrections, but less than the total of the actual tax due, after error corrections,  
18 and the amount originally designated on the return for the military family relief  
19 fund.

20 2. The designation for the military family relief fund is void if the individual  
21 remitted an amount equal to or less than the actual tax due, after error corrections.

22 (d) *Errors; insufficient refund.* If an individual is owed a refund that does not  
23 equal or exceed the amount designated on the return for the military family relief  
24 fund, after crediting under ss. 71.75 (9) and 71.80 (3) and (3m) and after error  
25 corrections, the department shall reduce the designation for the military family



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1 relief fund to reflect the actual amount of the refund that the individual is otherwise  
2 owed, after crediting under ss. 71.75 (9) and 71.80 (3) and (3m) and after error  
3 corrections.

4 (e) *Conditions.* If an individual places any conditions on a designation for the  
5 military family relief fund, the designation is void.

6 (f) *Void designation.* If a designation for the military family relief fund is void,  
7 the department shall disregard the designation and determine amounts due, owed,  
8 refunded, and received without regard to the void designation.

9 (g) *Tax return.* The secretary of revenue shall provide a place for the  
10 designations under this subsection on the individual income tax return.

11 (h) *Certification of amounts.* Annually, on or before September 15, the  
12 secretary of revenue shall certify to the department of military affairs, the  
13 department of administration, and the state treasurer all of the following:

14 1. The total amount of the administrative costs, including data processing  
15 costs, incurred by the department in administering this subsection during the  
16 previous fiscal year.

17 2. The total amount received from all designations for the military family relief  
18 fund made by taxpayers during the previous fiscal year.

19 3. The net amount remaining after the administrative costs, including data  
20 processing costs, under subd. 1. are subtracted from the total received under subd.

21 2.

22 (i) *Appropriations.* From the moneys received from designations for the  
23 military family relief fund, an amount equal to the sum of administrative expenses,  
24 including data processing costs, certified under par. (h) 1. shall be deposited in the  
25 general fund and credited to the appropriation account under s. 20.566 (1) (hp), and

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1 the net amount remaining that is certified under par. (h) 3. shall be deposited in the  
2 military family relief fund and credited to the appropriation under s. 20.465 (2) (r).

3 (j) *Amounts subject to refund.* Amounts designated for the military family relief  
4 fund under this subsection are not subject to refund to the taxpayer unless the  
5 taxpayer submits information to the satisfaction of the department, within 18  
6 months after the date on which the taxes are due or the date on which the return is  
7 filed, whichever is later, that the amount designated is clearly in error. Any refund  
8 granted by the department under this paragraph shall be deducted from the moneys  
9 received under this subsection in the fiscal year for which the refund is certified.

**SECTION 7. Nonstatutory provisions.**

10 (1) EMERGENCY RULE. Using the procedure under section 227.24 of the statutes,  
11 the department of military affairs shall promulgate the rules described under section  
12 21.22 (2) of the statutes, as created by this act, for the period before the permanent  
13 rules become effective, but not to exceed the period authorized under section 227.24  
14 (1) (c) and (2) of the statutes. Notwithstanding section 227.24 (1) (a), (2) (b), and (3)  
15 of the statutes, the department of military affairs is not required to provide evidence  
16 that promulgating a rule under this subsection as an emergency rule is necessary for  
17 the preservation of the public peace, health, safety, or welfare and is not required to  
18 provide a finding of emergency for the rules promulgated under this subsection.  
19

**SECTION 8. Initial applicability.**

20 (1) The treatment of section 71.10 (5i) of the statutes first applies to taxable  
21 years beginning on January 1 of the year in which this subsection takes effect, except  
22 that if this subsection takes effect after July 31 the treatment of section 71.10 (5i) of  
23

**BILL**

1 the statutes first applies to taxable years beginning on January 1 of the year  
2 following the year in which this subsection takes effect. ✓

3 (END)

**Duerst, Christina**

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**From:** Swentkofske, Matthew  
**Sent:** Tuesday, May 22, 2007 9:02 AM  
**To:** LRB.Legal  
**Subject:** Draft Review: LRB 07-2688/1 Topic: Individual income tax checkoff for military family relief fund

Please Jacket LRB 07-2688/1 for the SENATE.