

2009 DRAFTING REQUEST

Bill

Received: **09/26/2008**

Received By: **mshovers**

Wanted: **As time permits**

Identical to LRB:

For: **Roger Roth (608) 266-7500**

By/Representing: **Jason**

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

Drafter: **mshovers**

May Contact:

Addl. Drafters:

Subject: **Tax, Individual - dedct/sbtrct**
Tax, Individual - miscellaneous

Extra Copies: **JK**

Submit via email: **YES**

Requester's email: **Rep.Roth@legis.wisconsin.gov**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Individual income tax deduction for educational supplies purchased by classroom teachers; adopting certain IRC provisions for Wisconsin

Instructions:

See attached. Redraft 2007 AB 647 (-2651/6)

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 09/26/2008	jdyer 09/29/2008		_____			S&L Tax
/1			mduchek 09/30/2008	_____	sbasford 09/30/2008	cduerst 01/06/2009	S&L Tax
/2	mshovers 01/16/2009	jdyer 01/20/2009	rschluet 01/20/2009	_____	lparisi 01/20/2009	lparisi 01/20/2009	

FE Sent For:

*at
intro*

<END>

2009 DRAFTING REQUEST

Bill

Received: 09/26/2008

Received By: mshovers

Wanted: As time permits

Identical to LRB:

For: Roger Roth (608) 266-7500

By/Representing: Jason

This file may be shown to any legislator: NO

Drafter: mshovers

May Contact:

Addl. Drafters:

Subject: Tax, Individual - dedct/sbtrct
Tax, Individual - miscellaneous

Extra Copies: JK

Submit via email: YES

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

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Individual income tax deduction for educational supplies purchased by classroom teachers; adopting certain IRC provisions for Wisconsin

Instructions:

Change AM -> say fed law extended to 12/31/09
See PL 110-343

See attached. Redraft 2007 AB 647 (-2651/6)

Drafting History:

Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required
/?	mshovers 09/26/2008	1/2 jdyer 09/29/2008					S&L Tax
/1			mduchek 09/30/2008		sbasford 09/30/2008	cduerst 01/06/2009	

2 MES 1/16/00

FE Sent For:

Handwritten signature and initials

<END>

2009 DRAFTING REQUEST

Bill

Received: **09/26/2008**

Received By: **mshovers**

Wanted: **As time permits**

Identical to LRB:

For: **Roger Roth (608) 266-7500**

By/Representing: **Jason**

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

Drafter: **mshovers**

May Contact:

Addl. Drafters:

Subject: **Tax, Individual - dedct/sbtrct
Tax, Individual - miscellaneous**

Extra Copies: **JK**

Submit via email: **YES**

Requester's email: **Rep.Roth@legis.wisconsin.gov**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Individual income tax deduction for educational supplies purchased by classroom teachers; adopting certain IRC provisions for Wisconsin

Instructions:

See attached. Redraft 2007 AB 647 (-2651/6)

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 09/26/2008	jdye 09/29/2008		_____			S&L Tax
/1			mduchek 09/30/2008	_____	sbasford 09/30/2008		

FE Sent For:

<END>

2009 DRAFTING REQUEST

Bill

Received: 09/26/2008

Received By: mshovers

Wanted: As time permits

Identical to LRB:

For: Roger Roth (608) 266-7500

By/Representing: Jason

This file may be shown to any legislator: NO

Drafter: mshovers

May Contact:

Addl. Drafters:

Subject: Tax, Individual - dedct/sbtrct
Tax, Individual - miscellaneous

Extra Copies: JK

Submit via email: YES

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

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Individual income tax deduction for educational supplies purchased by classroom teachers; adopting certain IRC provisions for Wisconsin

Instructions:

See attached. Redraft 2007 AB 647 (-2651/6)

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>
1/?	mshovers	1 9/29 JLD	1/10 9/30	1/10 9/30			

FE Sent For:

<END>

Shovers, Marc

From: Culotta, Jason
Sent: Thursday, September 25, 2008 11:13 AM
To: Shovers, Marc
Subject: Drafting requests from Rep. Roth

Marc,

How are you doing? It's been a while since last talked.

Say, Rep. Roth has three drafting requests to make that all deal with bills you worked on last session:

1. [REDACTED] EXTENDED RETIREMENT BILL AB 647 (LRB-2651/6)
2. Rep. Wieckert's educator expenses tax credit AB 647 (LRB-2651/6)
3. [REDACTED] (LRB-2651/6), but this one needs [REDACTED] included in the new [REDACTED]

Bet you're getting a few requests like this already.

Hope all is well and call with any questions.

Thanks!

Jason Culotta
Legislative assistant
Office of Representative Roger Roth
(608) 266-7500

9/26/08
NOTE to file -
2007 HR. 4057 expands and extends
the deduction for certain expenses
of elem. & secondary teachers
(IRC § 62(a)(2)(D)) but,
as of 9/26/08, Congress has
taken no action on this bill, so
the fed. deduction expired on
12/31/07 & has not yet been
extended.

D-NOTE

2007 - 2008 LEGISLATURE

-0413/1
LRB-2651/6
MES (10) pg
stays

2009 2007 ASSEMBLY BILL 647 ✓

RMR

December 28, 2007 - Introduced by Representatives WIECKERT, BALLWEG, STASKUNAS, BOYLE, GRONEMUS, PARISI, TURNER, A. OTT, SMITH, JORGENSEN, YOUNG, BERCEAU, JESKEWITZ, FIELDS, MUSSER, BIES, FRISKE, SHERIDAN, KAUFERT, GUNDERSON, MURSAU, MASON, GRIGSBY, CULLEN, VOS, SHERMAN, SEIDEL, VAN AKKEREN, HUBLER, SHILLING, VAN ROY, ZIEGELBAUER, MOLEPSKE, NELSON, KLEEFISCH, TOWNSEND, SCHNEIDER, POPE-ROBERTS and TRAVIS, cosponsored by Senators PLALE, TAYLOR, OLSEN, DARLING, ROESSLER, KAPANKE, LEIBHAM, SCHULTZ, KEDZIE, WIRCH, HANSEN, VINEHOUT and RISSER. Referred to Committee on Education.

X

regan ✓

1 AN ACT to create 71.05 (6) (b) 45. and subchapter XVI of chapter 71 [precedes
2 71.98] of the statutes; relating to: adopting federal law as it relates to an
3 income tax deduction for certain educators and creating an individual income
4 tax deduction for educators who use their own funds to purchase classroom
5 educational supplies. ✓

Analysis by the Legislative Reference Bureau

For taxable years beginning after December 31, 2008, this bill adopts, for state income and franchise tax purposes, a provision of the Internal Revenue Code (IRC) allowing an individual income tax deduction for certain expenses of elementary and secondary school teachers. This federal law does not apply to taxable years beginning after December 31, 2007.

For taxable years beginning after December 31, 2008, this bill creates an individual income tax deduction for an amount of up to \$250 that is paid by an eligible educator for educational materials or supplies for use in a public, private, or tribal school, or a charter school. The bill defines eligible educator as an individual who is a teacher, instructor, counselor, principal, or aide in a school for at least 900 hours in the taxable year to which the claim relates. Under the bill, the deduction may not be claimed in any year for which an individual may claim the deduction to which the IRC update in this bill applies. In the past, the federal government has extended this federal deduction upon its expiration.

school
a
*

ASSEMBLY BILL 647

✓ Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the *state and local* ✓ 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:

1 SECTION 1. ✓ 71.05 (6) (b) ✓ ~~10~~ ⁴⁷ of the statutes is created to read:

2 71.05 (6) (b) ✓ ~~10~~ ⁴⁷ Except as provided in subd. ✓ ~~45~~ ⁴⁷ f., for taxable years beginning
3 after December 31, 2008, an amount up to ✓ \$250 paid for educational supplies, in the
4 taxable year to which the claim relates, by a claimant who is an eligible educator at
5 a school. In this subdivision, ✓ the following terms have the following meanings and
6 the following conditions apply: ✓

7 a. ✓ "Educational supplies" means books, supplies, other than ✓ nonathletic
8 supplies for courses of instruction in health or physical education, computer
9 equipment, including related software and services, and other equipment and
10 supplementary materials that are purchased and used by an eligible educator in the
11 classroom. ✓

12 b. ✓ "Eligible educator" means an individual who is a teacher, instructor,
13 counselor, principal, or aide in a school for at least 900 ✓ hours in the taxable year to
14 which the claim relates.

15 c. ✓ "School" means a public school, as specified in s. 115.01 (1); a private school,
16 as specified in s. 115.001 (3r); ✓ ~~or~~ a tribal school; ✓ ~~or~~ a charter school, as specified in
17 s. 115.001 (1). ✓

18 d. ✓ "Tribal school" means an institution with an educational program that has
19 as its primary purpose providing education in any grade or grades from kindergarten

ASSEMBLY BILL 647

1 to 12[✓] and that is controlled by the elected governing body of a federally recognized
 2 American Indian tribe or band in Wisconsin or by a tribal educational authority
 3 established under the laws of a federally recognized[✓] American Indian tribe or band
 4 in Wisconsin.

5 e. For a claimant who is a nonresident[✓] or part-year[✓] resident of this state,
 6 multiply the amount for which the claimant is eligible under subd. ~~6~~^{9/47} (intro.) by a
 7 fraction, the numerator of which is the individual's wages, salary, tips, unearned
 8 income, and net earnings[✓] from a trade or business that are taxable by this state and
 9 the denominator of which is the individual's total wages, salary, tips, unearned
 10 income, and net earnings[✓] from a trade or business. In this[✓] subd. ~~6~~^{9/47} e., for married
 11 persons filing separately "wages, salary, tips, unearned income, and net earnings
 12 from a trade or business" means the separate wages, salary, tips, unearned
 13 income, and net earnings[✓] from a trade or business of each spouse, and for married
 14 persons filing jointly "wages, salary, tips, unearned income, and net earnings from
 15 a trade or business" means the[✓] total wages, salary, tips, unearned income, and net
 16 earnings from a trade or business of both spouses.[✓]

17 f. This subdivision[✓] does not apply to any taxable year for which an individual
 18 may claim a deduction under section 62 (a) (2) (D) of the[✓] Internal Revenue Code.

19 **SECTION 2.** Subchapter XVI of chapter 71 [precedes 71.98][✓] of the statutes is
 20 created to read:

CHAPTER 71**SUBCHAPTER XVI****INTERNAL REVENUE CODE UPDATE**

24 **71.98[✓] Internal Revenue Code update.** The following federal laws, to the
 25 extent that they apply to the Internal Revenue Code, apply to this[✓] chapter:

ASSEMBLY BILL 647

SECTION 2

1 (1) CERTAIN EXPENSES OF TEACHERS. For taxable years beginning after December
2 31, 2008, section 62 (a) (2) (D) of the Internal Revenue Code, relating to certain
3 expenses of elementary and secondary school teachers.

4 (END)

D-NOTE

Rep. Roth:

If this bill is not enacted by
the end of July or early August 2009,
the dates in the bill will need to
be advanced by one year.

AMZJ

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0413/1dn
MES:jld:md

September 29, 2008

Rep. Roth:

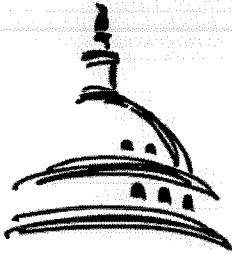
If this bill is not enacted by the end of July or early August 2009, the dates in the bill will need to be advanced by one year.

Marc E. Shovers
Managing Attorney
Phone: (608) 266-0129
E-mail: marc.shovers@legis.wisconsin.gov

Duerst, Christina

From: Rep.Roth
Sent: Tuesday, January 06, 2009 11:01 AM
To: LRB.Legal
Subject: Draft Review: LRB 09-0413/1 Topic: Individual income tax deduction for educational supplies purchased by classroom teachers; adopting certain IRC provisions for Wisconsin

Please Jacket LRB 09-0413/1 for the ASSEMBLY.



CRS Report for Congress

The Tax Deduction for Classroom Expenses of Elementary and Secondary School Teachers

Linda Levine
Specialist in Labor Economics
Domestic Social Policy Division

Summary

An above-the-line deduction for certain classroom expenses paid or incurred during the school year by eligible elementary and secondary school (K-12) teachers, among other educators, was authorized in the Job Creation and Worker Assistance Act of 2002 (P.L. 107-147). After the deduction expired on January 1, 2006, the 109th Congress reauthorized it retroactively for two years, to December 31, 2007, in the Tax Relief and Health Care Act of 2006 (P.L. 109-432). Numerous bills were introduced during the 110th Congress that would have amended the educator expense deduction and/or extended it temporarily or permanently beyond December 31, 2007. The House passed H.R. 6049, the Renewable Energy and Job Creation Act of 2008, on May 21, 2008; it included a one-year extension of the deduction. The Senate attached its version of H.R. 6049 to a financial rescue bill (H.R. 1424) that it passed on October 1, 2008. The Senate substitute language extends the classroom expense deduction to December 31, 2009. On October 3, 2008, the House voted favorably on H.R. 1424, which includes the Tax Extenders and Alternative Minimum Tax Relief Act of 2008 at Division C. H.R. 1424 was signed into law (P.L. 110-343) on October 3.

Characteristics of the Educator Classroom Expense Deduction

As part of P.L. 107-147, Congress initiated a new temporary tax benefit to help K-12 teachers, among other school personnel, defray some of the expenditures they voluntarily make to enhance the quality of their students' education. Specifically, §62(a)(2)(D) of the Internal Revenue Code (IRC) states that eligible educators employed by public (including charter) and private K-12 schools (as determined by state law) may subtract from gross income up to \$250 in expenses associated with their purchase of the following items *for use by the educator in the classroom*: books; supplies (other than nonathletic supplies for



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-0413/1

MES:jld:md

RMR

2009 BILL

X

RMR

1 AN ACT to create 71.05 (6) (b) 47. and subchapter XVI of chapter 71 [precedes
2 71.98] of the statutes; relating to: adopting federal law as it relates to an
3 income tax deduction for certain educators and creating an individual income
4 tax deduction for educators who use their own funds to purchase classroom
5 educational supplies.

Analysis by the Legislative Reference Bureau

For taxable years beginning after December 31, 2008, this bill adopts, for state income and franchise tax purposes, a provision of the Internal Revenue Code (IRC) allowing an individual income tax deduction for certain expenses of elementary and secondary school teachers. This federal law does not apply to taxable years beginning after December 31, 2007. 2009 ✓

For taxable years beginning after December 31, 2008, this bill creates an individual income tax deduction for an amount of up to \$250 that is paid by an eligible educator for educational materials or supplies for use in a public school, a private school, a tribal school, or a charter school. The bill defines "eligible educator" as an individual who is a teacher, instructor, counselor, principal, or aide in a school for at least 900 hours in the taxable year to which the claim relates. Under the bill, the deduction may not be claimed in any year for which an individual may claim the deduction to which the IRC update in this bill applies. In the past, the federal government has extended this federal deduction upon its expiration.

Ed
LPS
only change

BILL

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the *state and local* 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:

1 **SECTION 1.** 71.05 (6) (b) 47. of the statutes is created to read:

2 71.05 (6) (b) 47. Except as provided in subd. 47. f., for taxable years beginning
3 after December 31, 2008, an amount up to \$250 paid for educational supplies, in the
4 taxable year to which the claim relates, by a claimant who is an eligible educator at
5 a school. In this subdivision, the following terms have the following meanings and
6 the following conditions apply:

7 a. "Educational supplies" means books, supplies, other than nonathletic
8 supplies for courses of instruction in health or physical education, computer
9 equipment, including related software and services, and other equipment and
10 supplementary materials that are purchased and used by an eligible educator in the
11 classroom.

12 b. "Eligible educator" means an individual who is a teacher, instructor,
13 counselor, principal, or aide in a school for at least 900 hours in the taxable year to
14 which the claim relates.

15 c. "School" means a public school, as specified in s. 115.01 (1); a private school,
16 as specified in s. 115.001 (3r); a tribal school; or a charter school, as specified in s.
17 115.001 (1).

18 d. "Tribal school" means an institution with an educational program that has
19 as its primary purpose providing education in any grade or grades from kindergarten

BILL

1 to 12 and that is controlled by the elected governing body of a federally recognized
2 American Indian tribe or band in Wisconsin or by a tribal educational authority
3 established under the laws of a federally recognized American Indian tribe or band
4 in Wisconsin.

5 e. For a claimant who is a nonresident or part-year resident of this state,
6 multiply the amount for which the claimant is eligible under subd. 47. (intro.) by a
7 fraction, the numerator of which is the individual's wages, salary, tips, unearned
8 income, and net earnings from a trade or business that are taxable by this state and
9 the denominator of which is the individual's total wages, salary, tips, unearned
10 income, and net earnings from a trade or business. In this subd. 47. e., for married
11 persons filing separately "wages, salary, tips, unearned income, and net earnings
12 from a trade or business" means the separate wages, salary, tips, unearned income,
13 and net earnings from a trade or business of each spouse, and for married persons
14 filing jointly "wages, salary, tips, unearned income, and net earnings from a trade or
15 business" means the total wages, salary, tips, unearned income, and net earnings
16 from a trade or business of both spouses.

17 f. This subdivision does not apply to any taxable year for which an individual
18 may claim a deduction under section 62 (a) (2) (D) of the Internal Revenue Code.

19 **SECTION 2.** Subchapter XVI of chapter 71 [precedes 71.98] of the statutes is
20 created to read:

CHAPTER 71**SUBCHAPTER XVI****INTERNAL REVENUE CODE UPDATE**

24 **71.98 Internal Revenue Code update.** The following federal laws, to the
25 extent that they apply to the Internal Revenue Code, apply to this chapter:

