



**ASSEMBLY SUBSTITUTE AMENDMENT 3,
TO 2009 ASSEMBLY BILL 135**

October 28, 2009 – Offered by Representative MOLEPSKE JR..

1 **AN ACT** *to amend* 71.05 (6) (b) 32. (intro.) and 71.05 (6) (b) 33. (intro.) of the
2 statutes; **relating to:** the individual income tax deduction for certain amounts
3 contributed to a child’s college savings account or college tuition and expenses
4 program.

Analysis by the Legislative Reference Bureau

Under current law, as affected by 2009 Wisconsin Act 28 (the biennial budget act), there is a college tuition and expenses program, commonly referred to as “EdVest I,” under which a contributor may purchase “tuition units” that can be used to pay qualified educational costs on behalf of a beneficiary. The purchase of the units is limited to parents, grandparents, aunts, uncles, legal guardians, trusts created on behalf of a beneficiary, or individuals purchasing units for their own use. Contributions made to an account set up under the program, up to a limit of \$3,000 each year for each beneficiary, may be deducted from a contributor’s income in the calculation of his or her income taxes if the beneficiary of the account is one of the following: the claimant; the claimant’s child; the claimant’s grandchild; the claimant’s great-grandchild; or the claimant’s niece or nephew.

Also, under current law, as affected by the biennial budget act, there exists a college savings program, commonly referred to as “EdVest II,” under which anyone may open an account for a prospective student, regardless of the contributor’s

