



2009 ASSEMBLY BILL 359

July 31, 2009 – Introduced by Representatives PRIDEMORE, GRIGSBY, BROOKS, GUNDERSON, MASON and BIES, cosponsored by Senators TAYLOR and DARLING. Referred to Committee on Children and Families.

1 **AN ACT** *to amend* 71.08 (1) (intro.) and 71.10 (4) (i); and *to create* 20.835 (2) (en)
2 and 71.07 (6f) of the statutes; **relating to:** creating a refundable individual
3 income tax credit for certain married couples.

Analysis by the Legislative Reference Bureau

This bill creates a refundable individual income tax credit for married couples. The maximum credit that may be claimed by a married couple that files a joint return is \$200 and the maximum credit that may be claimed by each spouse of a married couple that files a separate return is \$100. Both spouses of a married couple may claim the credit, except that a married couple filing jointly may not claim the credit if their Wisconsin adjusted gross income (WAGI) exceeds \$75,000 in the year to which the claim relates, and a married individual filing a separate return may not claim the credit if his or her WAGI exceeds \$37,500 in the year to which the claim relates. Because the credit is refundable, if the amount of the claim exceeds the claimant's tax liability, the excess credit is refunded to the individual by check. Nonresidents or part-year residents of Wisconsin may not claim the credit.

For further information see the **state** 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:

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1 **SECTION 1.** 20.835 (2) (en) of the statutes is created to read:

2 20.835 **(2)** (en) *Married couple tax credit.* A sum sufficient to pay the claims
3 approved under s. 71.07 (6f).

4 **SECTION 2.** 71.07 (6f) of the statutes is created to read:

5 71.07 **(6f)** MARRIED COUPLE TAX CREDIT. (a) *Definition.* In this subsection
6 “claimant” means a married individual who files a separate income tax return, or a
7 married couple that files a joint income tax return, and who claims a credit under this
8 subsection.

9 (b) *Filing claims.* Subject to the limitations provided in this subsection, a
10 claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 an
11 amount that is specified in par. (c). If the allowable amount of the claim exceeds the
12 income taxes otherwise due on the claimant’s income, the amount of the claim not
13 used as an offset against those taxes shall be certified by the department of revenue
14 to the department of administration for payment to the claimant by check, share
15 draft, or other draft from the appropriation under s. 20.835 (2) (en).

16 (c) *Limitations.* 1. The maximum credit that may be claimed under this
17 subsection by a married couple that files a joint return is \$200.

18 2. The maximum credit that may be claimed under this subsection by a married
19 individual who files a separate return is \$100.

20 3. Both spouses of a married couple may claim the credit under this subsection.

21 4. No credit may be claimed under this subsection by a married couple filing
22 a joint return if their adjusted gross income exceeds \$75,000 in the year to which the
23 claim relates.

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1 5. No credit may be claimed under this subsection by a married individual filing
2 a separate return if the individual's adjusted gross income exceeds \$37,500 in the
3 year to which the claim relates.

4 6. No credit may be allowed under this subsection unless it is claimed within
5 the time period under s. 71.75 (2).

6 7. No part-year residents or nonresidents of this state may claim the credit
7 under this subsection.

8 (d) *Administration.* Subsection (9e) (d), to the extent that it applies to the credit
9 under that subsection, applies to the credit under this subsection.

10 **SECTION 3.** 71.08 (1) (intro.) of the statutes, as affected by 2009 Wisconsin Act
11 2, is amended to read:

12 71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married
13 couple filing jointly, trust, or estate under s. 71.02, not considering the credits under
14 ss. 71.07 (1), (2dd), (2de), (2di), (2dj), (2dL), (2dr), (2ds), (2dx), (2dy), (2fd), (3m), (3n),
15 (3p), (3r), (3s), (3t), (3w), (5b), (5d), (5e), (5f), (6), (6e), (6f), and (9e), 71.28 (1dd), (1de),
16 (1di), (1dj), (1dL), (1ds), (1dx), (1dy), (1fd), (2m), (3), (3n), (3t), and (3w), and 71.47
17 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1dy), (1fd), (2m), (3), (3n), (3t), and (3w),
18 and subchs. VIII and IX and payments to other states under s. 71.07 (7), is less than
19 the tax under this section, there is imposed on that natural person, married couple
20 filing jointly, trust or estate, instead of the tax under s. 71.02, an alternative
21 minimum tax computed as follows:

22 **SECTION 4.** 71.10 (4) (i) of the statutes, as affected by 2009 Wisconsin Act 2, is
23 amended to read:

24 71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland
25 preservation credit under subch. IX, homestead credit under subch. VIII, farmland

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1 tax relief credit under s. 71.07 (3m), farmers' drought property tax credit under s.
2 71.07 (2fd), dairy manufacturing facility investment credit under s. 71.07 (3p), meat
3 processing facility investment credit under s. 71.07 (3r), film production services
4 credit under s. 71.07 (5f) (b) 2., veterans and surviving spouses property tax credit
5 under s. 71.07 (6e), enterprise zone jobs credit under s. 71.07 (3w), married couple
6 tax credit under s. 71.07 (6f), earned income tax credit under s. 71.07 (9e), estimated
7 tax payments under s. 71.09, and taxes withheld under subch. X.

8 **SECTION 5. Initial applicability.**

9 (1) This act first applies to taxable years beginning on January 1 of the year
10 in which this subsection takes effect, except that if this subsection takes effect after
11 July 31 this act first applies to taxable years beginning on January 1 of the year
12 following the year in which this subsection takes effect.

13 (END)