

2009 DRAFTING REQUEST

Bill

Received: **01/05/2010**

Received By: **mshovers**

Wanted: **As time permits**

Identical to LRB:

For: **Keith Ripp (608) 266-3404**

By/Representing: **Tyler**

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

Drafter: **mshovers**

May Contact:

Adtl. Drafters: **jkreye**

Subject: **Tax, Individual - dedct/sbtret
Tax, Business - crp inc, fran**

Extra Copies:

Submit via email: **YES**

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

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Individual income tax deduction for certain deer processing fees; tax exemption for certain income earned from deer processing; benefit food pantries

Instructions:

See attached

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>
/?				_____			State Tax
/1	mshovers 01/06/2010 jkreye 01/06/2010	jdyer 01/07/2010	rschluet 01/07/2010	_____	sbasford 01/07/2010	cdurst 01/26/2010	

FE Sent For:

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intro*

<END>

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/?	mshovers	1/7 jld		_____			

FE Sent For:

<END>

Shovers, Marc

From: Kreye, Joseph
Sent: Wednesday, January 06, 2010 10:37 AM
To: Shovers, Marc
Subject: FW: Hunting Tax Credit Draft
Attachments: getdoc[1].pdf

Mr. Shovers,

Attached is the language of the proposed federal "meat" credit.

Joe

Joseph T. Kreye

Senior Legislative Attorney
Legislative Reference Bureau
(608) 266-2263

From: Wenzlaff, Tyler
Sent: Wednesday, January 06, 2010 10:35 AM
To: Kreye, Joseph
Subject: Hunting Tax Credit Draft

Per our conversation.

I had talked to you about the Feingold article in the Baraboo News Republic. We would like to make state law similar to this bill. Let me know if you have any questions.

Tyler Wenzlaff
Office of Wisconsin State Representative Keith Ripp
47th Assembly District

for processing the meat of a game animal killed lawfully



back to story

Venison donations to food pantries might mean a break on taxes

By Tim Damos / News Republic

Deer donation programs that provide venison to food pantries — such as the ones in Baraboo — might get a boost from federal lawmakers.

Wisconsin Democratic Sen. Russ Feingold is co-sponsoring a bill that would allow hunters who donate qualified wild game to anti-hunger programs to deduct the processing fees from their taxes.

The bill would also make income that processors receive to process meat for charitable programs tax exempt.

"Maybe this will encourage more of the meat processors to (participate)," said Judy Lewis, president of the Baraboo Food Pantry. "We would love to have it."

The Wisconsin Department of Natural Resources administers a program that pays the processing fee for hunters who donate their deer. About 140 meat processors in 65 counties take part in the state program, but many don't.

"I think some of these other meat markets choose not to do it because they're not getting much back for what they have invested," said Mike Clark, a manager at Lodi Locker meat market. "(The tax incentive) would definitely be beneficial for everybody."

Clark processes deer for a donation program called Target Hunger. But the per-deer reimbursement he gets through that program is about half of what he normally charges.

If the income were tax free, Lodi Locker would likely start processing more deer through the program, Clark said.

The DNR says Wisconsin hunters donated 6,267 deer to food pantries in 2008, providing 340,000 pounds of ground venison to needy families.

"This is a win-win-win for hunters, processors and those in need," said Feingold, who has signed onto the bill introduced by Sen. Chuck Schumer, D-NY. "During the holiday season, helping others is on everyone's mind. But this down economy is hurting everyone, including charitable organizations."

Lewis said the Baraboo Food Pantry was receiving venison through the state's program about five years ago. But then it became unavailable.

Lewis said the pantry only accepts venison donations from organizations that have the meat tested for chronic wasting disease, so it cannot accept meat from individual donors.

This year she said she was offered venison through a charity program, but could not accept it because she was unable to find a way to transport a 500-pound truckload.

The food pantry served 441 families in November, an increase of 100 families from the previous month, Lewis said.

Send e-mail to tdamos@capitalnewspapers.com

Process the meat
"game animal" or wild animal ground
any game animal that's hunted incl. fish
but incl. captive wildlife
ch. 29 def.

111TH CONGRESS
1ST SESSION

H. R. 4388

To amend the Internal Revenue Code of 1986 to provide tax incentives
for the donation of wild game meat.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 16, 2009

Mr. MURPHY of New York (for himself and Mr. CARNEY) introduced the
following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide
tax incentives for the donation of wild game meat.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CHARITABLE DEDUCTION FOR COSTS ASSOCI-**
4 **ATED WITH DONATIONS OF WILD GAME**
5 **MEAT.**

6 (a) IN GENERAL.—Subsection (e) of section 170 of
7 the Internal Revenue Code of 1986 is amended by adding
8 at the end the following new paragraph:

9 “(8) SPECIAL RULE FOR CONTRIBUTIONS OF
10 WILD GAME MEAT.—

1 “(A) IN GENERAL.—In the case of a chari-
2 table contribution by an individual of qualified
3 wild game meat, the amount of such contribu-
4 tion otherwise taken into account under this
5 section (after the application of paragraph
6 (1)(A)) shall be increased by the amount of the
7 qualified processing fees paid with respect to
8 such contribution.

9 “(B) QUALIFIED WILD GAME MEAT.—For
10 purposes of this paragraph, the term ‘qualified
11 wild game meat’ means the meat of any animal
12 which is typically used for human consumption,
13 but only if—

14 “(i) such animal is killed in the wild
15 by the individual making the charitable
16 contribution of such meat (not including
17 animals raised on a farm for the purpose
18 of sport hunting),

19 “(ii) such animal is hunted or taken
20 in accordance with all State and local laws
21 and regulations, including season and size
22 restrictions,

23 “(iii) such meat is processed for
24 human consumption by a processor which
25 is licensed for such purpose under the ap-

1 appropriate Federal, State, and local laws
2 and regulations and which is in compliance
3 with all such laws and regulations, and

4 “(iv) such meat is apparently whole-
5 some (under regulations similar to the reg-
6 ulations under section 22(b)(2) of the Bill
7 Emerson Good Samaritan Food Donation
8 Act).

9 “(C) QUALIFIED PROCESSING FEE.—For
10 purposes of this paragraph, the term ‘qualified
11 processing fee’ means any fee or charge paid to
12 a processor which fulfills the requirements of
13 subparagraph (B)(iii) for the purpose of proc-
14 essing wild game meat, but only to the extent
15 that such meat is donated as a charitable con-
16 tribution under this section.”.

17 (b) EXCLUSION OF PROCESSOR’S INCOME FROM TAX
18 EXEMPT ORGANIZATIONS.—

19 (1) IN GENERAL.—Part III of subchapter B of
20 chapter 1 of the Internal Revenue Code of 1986 is
21 amended by inserting after section 139C the fol-
22 lowing new section:

1 **“SEC. 139D. CERTAIN INCOME RECEIVED FROM CHARITABLE ORGANIZATIONS.**
2

3 “(a) IN GENERAL.—Gross income of a qualified meat
4 processor shall not include any amount paid to such processor as a qualified processing fee by a charitable organization for the processing of donated wild game meat.

7 “(b) DEFINITIONS.—For purposes of this section—

8 “(1) QUALIFIED MEAT PROCESSOR.—The term
9 ‘qualified meat processor’ means a processor which
10 fulfills the requirements of section 170(e)(8)(B)(iii).

11 “(2) CHARITABLE ORGANIZATION.—The term
12 ‘charitable organization’ means an entity to which a
13 charitable contribution may be made under section
14 170(e) and the charitable purpose of which is to provide free food to individuals in need of food assistance.
16

17 “(3) DONATED WILD GAME MEAT.—The term
18 ‘donated wild game meat’ means qualified wild game
19 meat (as defined in section 170(e)(8)(B), without regard to clause (iii) thereof) which is received as a
20 charitable contribution (as defined in section 170(e))
21 by a charitable organization.
22

23 “(4) QUALIFIED PROCESSING FEE.—The term
24 ‘qualified processing fee’ means any fee or charge
25 paid to a qualified meat processor for the purpose
26 of processing donated wild game meat.”.

1 (2) CLERICAL AMENDMENT.—The table of sec-
2 tions for part III of subchapter B of chapter 1 of
3 the Internal Revenue Code of 1986 is amended by
4 inserting after the item relating to section 139C the
5 following new item:

“Sec. 139D. Certain income received from tax exempt organizations.”.

6 (c) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to donations made, and fees re-
8 ceived, after the date of the enactment of this Act.

○



2009 BILL

m 1-6-10

x

Gen

- 1 AN ACT ...; relating to: creating an individual income tax deduction for amounts
- 2 paid to process certain meat that is donated to a charitable organization and
- 3 exempting from taxation certain meat processing fees. ✓

Analysis by the Legislative Reference Bureau

This bill creates an individual income tax deduction for amounts paid by an individual to process the meat of a game animal that the individual lawfully kills if he or she donates the processed meat to a charitable organization. ✓ Under current law, "game animals" include deer, moose, elk, bear, rabbits, squirrels, fox, ✓ and raccoon. ✓ The bill also exempts from income and franchise taxes the amount of any income derived from fees received for processing the meat of a game animal. ✓

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* 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:

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

BILL**SECTION 1**

1 71.05 (6) (b) 47. Any amount of fees paid by an individual, in the year to which
 2 the claim relates, for processing the meat of a game animal, as defined in s. 29.001
 3 (36), that is lawfully killed by the individual if the individual donates the processed
 4 meat to a charitable organization, as defined in s. 29.89 (1).

5 **SECTION 2.** 71.05 (6) (b) 48. of the statutes is created to read:

6 71.05 (6) (b) 48. Any amount of fees received for processing the meat of a game
 7 animal, as defined in s. 29.001 (36), that is lawfully killed, if the processed meat is
 8 donated to a charitable organization, as defined in s. 29.89 (1).

9 **SECTION 3.** 71.26 (1) (h) of the statutes is created to read:

10 71.26 (1) (h) Income derived from fees received for processing the meat of a
 11 game animal, as defined in s. 29.001 (36), that is lawfully killed, if the processed meat
 12 is donated to a charitable organization, as defined in s. 29.89 (1).

13 **SECTION 4.** 71.45 (1) (c) of the statutes is created to read:

14 71.45 (1) (c) Income derived from fees received for processing the meat of a
 15 game animal, as defined in s. 29.001 (36), that is lawfully killed, if the processed meat
 16 is donated to a charitable organization, as defined in s. 29.89 (1).

17 **SECTION 5. Initial applicability.**

18 (1) This act first applies to taxable years beginning on January 1 of the year
 19 in which this subsection takes effect, except that if this subsection takes effect after
 20 July 31 this act first applies to taxable years beginning on January 1 of the year
 21 following the year in which this subsection takes effect.

22

(END)

Duerst, Christina

From: Wenzlaff, Tyler

Sent: Tuesday, January 26, 2010 10:03 AM

To: LRB.Legal

Subject: Draft Review: LRB 09-4073/1 Topic: Individual income tax deduction for certain deer processing fees; tax exemption for certain income earned from deer processing; benefit food pantries

Please Jacket LRB 09-4073/1 for the ASSEMBLY.

1/26/2010