

2011 DRAFTING REQUEST

Bill

Received: 11/15/2011

Received By: mshovers

Wanted: As time permits

Companion to LRB:

For: Glenn Grothman (608) 266-7513

By/Representing: Hariah, Rep. Thiesfeldt

May Contact:

Drafter: mshovers

Subject: Tax, Individual - dedct/sbtrct

Addl. Drafters:

Extra Copies:

Submit via email: YES

Requester's email: Sen.Grothman@legis.wisconsin.gov

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Individual income tax deduction for contributions to Coverdell Savings Accounts

Instructions:

Create an individual income tax deduction for contributions to Coverdale Savings Accounts. Draft a senate companion, per Hariah in Rep. Thiesfeldt's office

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 11/15/2011	csicilia 11/16/2011		_____			State Tax
/1			jfrantze 11/16/2011	_____	ggodwin 11/16/2011	ggodwin 01/04/2012	

FE Sent For:

*At intro
1/5/2012*

<END>

2011 DRAFTING REQUEST

Bill

Received: 11/15/2011

Received By: mshovers

Wanted: As time permits

Companion to LRB:

For: Glenn Grothman (608) 266-7513

By/Representing: Hariah, Rep. Thiesfeldt

May Contact:

Drafter: mshovers

Subject: Tax, Individual - dedct/sbtrct

Addl. Drafters:

Extra Copies:

Submit via email: YES

Requester's email: Sen.Grothman@legis.wisconsin.gov

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Individual income tax deduction for contributions to Coverdell Savings Accounts

Instructions:

Create an individual income tax deduction for contributions to Coverdale Savings Accounts. Draft a senate companion, per Hariah in Rep. Thiesfeldt's office

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 11/15/2011	csicilia 11/16/2011		_____			State Tax
/1			jfrantze 11/16/2011	_____	ggodwin 11/16/2011		

FE Sent For:

<END>

2011 DRAFTING REQUEST

Bill

Received: 11/15/2011

Received By: mshovers

Wanted: As time permits

Companion to LRB:

For: Glenn Grothman (608) 266-7513

By/Representing: Hariah, Rep. Thiesfeldt

May Contact:

Drafter: mshovers

Subject: Tax, Individual - dedct/sbtrct

Addl. Drafters:

Extra Copies:

Submit via email: YES

Requester's email: Sen.Grothman@legis.wisconsin.gov

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Individual income tax deduction for contributions to Coverdell Savings Accounts

Instructions:

Create an individual income tax deduction for contributions to Coverdale Savings Accounts. Draft a senate companion, per Hariah in Rep. Thiesfeldt's office

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	Tys	11/16	[Signature]			
11/15/11			11	11/14			

11/15/11

Tys 11/16 11

[Signature] 11/14

FE Sent For:

<END>

Shovers, Marc

From: Basford, Sarah
Sent: Tuesday, November 15, 2011 3:25 PM
To: Shovers, Marc
Subject: FW: release LRB 3148/1 to Senate office

From: Hutkowski, Hariah
Sent: Tuesday, November 15, 2011 3:22 PM
To: LRB.Legal
Subject: release LRB 3148/1 to Senate office

Please release 3148/1 LRB for a Senate companion to Glenn Grothman's office. Thanks,

Hariah Hutkowski
Legislative Assistant
Rep. Thiesfeldt's office
1-888-529-0052
FAX: 608-282-3652



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-8484

3488//

MES:cjs:ph

2011 BILL

Stays

RMN

SOON

gan

1 AN ACT to create 71.05 (6) (b) 48. of the statutes; relating to: creating an
2 individual income tax deduction for certain contributions to a Coverdell
3 Education Savings Account.

Analysis by the Legislative Reference Bureau

This bill creates an an individual income tax deduction for any amount contributed to a Coverdell Education Savings Account (CESA), in the year in which the contribution is made, subject to the limits and conditions specified in federal law for contributions to a CESA. Currently, the maximum allowable contribution to a CESA is \$2,000 each year per beneficiary, although that contribution amount phases down as a contributor's modified adjusted gross income (MAGI) increases from \$95,000 to \$110,000, or from \$190,000 to \$220,000 for a married couple filing jointly. No contributions are allowed once a contributor's MAGI is above the phase-out range.

Under federal law, contributions to a CESA must be made in cash, are not tax deductible, and may not be made once the beneficiary reaches the age of 18. The accounts themselves are exempt from taxation, and the proceeds of an account must be used for qualified education expenses, as defined under federal law, for a designated beneficiary. Qualified education expenses include certain elementary, secondary, and higher education expenses.

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.

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:

1 **SECTION 1.** 71.05 (6) (b) 48. of the statutes is created to read:

2 71.05 **(6)** (b) 48. An amount contributed to a Coverdell Education Savings
3 Account under 26 USC 530, in the taxable year to which the subtraction relates, up
4 to the limits and subject to the conditions specified in 26 USC 530 (b) (1) (A) and 26
5 USC 530 (c).

6 **SECTION 2. Initial applicability.**

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

11

(END)

✓
✓

Barman, Mike

From: Julian, Jamie
Sent: Wednesday, January 04, 2012 11:58 AM
To: LRB.Legal
Subject: Draft Review: LRB 11-3488/1 Topic: Individual income tax deduction for contributions to Coverdell Savings Accounts

Please Jacket LRB 11-3488/1 for the SENATE.