

SENATE BILL 2, JANUARY 2011 SPECIAL SESSION (LRB -0357)

An Act to create 71.07 (6f) and 71.10 (4) (cf) of the statutes; relating to: creating a nonrefundable individual income tax credit for certain amounts relating to health savings accounts that may be deducted from, or are exempt from, federal income taxes. (FE) **2011**

01-05. S. Introduced by committee on **SENATE ORGANIZATION**, by request of Governor Scott Walker, Senator Darling, and Representative Kaufert.

01-05. S. Read first time and referred to committee on Health 13

01-05. S. Senator Darling added as a coauthor.

01-05. S. Representative Kaufert added as a cosponsor.

01-05. S. Senators Vukmir, Lazich, Kedzie, Kapanke, Lasee, Leibham and Schultz added as coauthors 14

01-05. S. Representatives Tauchen, Mursau, Kuglitsch, Murtha, Pridemore, Fields, Weininger, Thiesfeldt, Kapenga, Litjens, Nygren, Knilans, Farrow, Vos, Loudenbeck, Endsley, Severson, August, M. Williams, Knudson, A. Ott, Jacque, Strachota, Meyer, Petrowski, Honadel, Petryk and LeMahieu added as a cosponsors 14

01-10. S. Senator Olsen added as a coauthor 18

01-10. S. Representatives Spanbauer and Stone added as a cosponsors 18

01-10. S. Senator Grothman added as a coauthor.

01-11. S. Public hearing held.

01-11. S. Fiscal estimate received.

01-13. S. Senator Harsdorf added as a coauthor 41

01-13. S. Executive action taken.

01-13. S. Report passage recommended by committee on Health, Ayes 3, Noes 2 40

01-13. S. Available for scheduling.

01-14. S. Referred to joint committee on Finance by committee on Senate Organization pursuant to Senate Rule 41 (1)(e) 44

01-14. S. Senate amendment 1 offered by Senator Carpenter (**LRB a0089**) 44

01-18. S. Executive action taken.

01-18. S. Report introduction of Senate Substitute Amendment 1 recommended by joint committee on Finance, Ayes 16, Noes 0 (**LRB s0008**) 44

01-18. S. Report adoption of Senate Substitute Amendment 1 recommended by joint committee on Finance, Ayes 12, Noes 4 45

01-18. S. Report passage as amended, with emergency statement attached, pursuant to s.16.47 (2), Wisconsin Statutes, recommended by joint committee on Finance, Ayes 12, Noes 4 45

01-18. S. Available for scheduling.

01-18. S. Placed on calendar 1-20-2011 pursuant to Senate Rule 18(1).

01-18. S. Senate amendment 1 to Senate substitute amendment 1 offered by Senator Carpenter (**LRB a0114**) 44

01-20. S. Read a second time.

01-20. S. Senate amendment 1 to Senate substitute amendment 1 laid on table, Ayes 20, Noes 13.

01-20. S. Senate amendment 2 to Senate substitute amendment 1 offered by Senators Erpenbach and Taylor (**LRB a0191**).

01-20. S. Senate amendment 2 to Senate substitute amendment 1 laid on table, Ayes 20, Noes 13.

01-20. S. Senate amendment 3 to Senate substitute amendment 1 offered by Senator Erpenbach (**LRB a0125**).

01-20. S. Senate amendment 3 to Senate substitute amendment 1 laid on table, Ayes 22, Noes 11.

01-20. S. Senate amendment 4 to Senate substitute amendment 1 offered by Senators Jauch, Erpenbach, Taylor, Carpenter, Holperin, C. Larson, S. Coggs, Wirch, Risser, Miller and Lassa (**LRB a0187**).

01-20. S. Senate amendment 4 to Senate substitute amendment 1 laid on table, Ayes 19, Noes 14.

01-20. S. Senate substitute amendment 1 **adopted**, Ayes 21, Noes 12.

01-20. S. Senate substitute amendment 2 offered by Senators Miller, Hansen, Taylor, Carpenter and Wirch (**LRB s0026**).

01-20. S. Senate substitute amendment 2 laid on table, Ayes 20, Noes 13.

01-20. S. Ordered to a third reading.

01-20. S. Rules suspended.

01-20. S. Read a third time and **passed**, Ayes 21, Noes 12.

01-20. S. Ordered immediately messaged.

01-20. A. Received from Senate.

01-20. A. Read first time and referred to calendar.

01-20. A. Read a second time.

01-20. A. Assembly amendment 1 offered by Representative Pasch (**LRB a0270**).

01-20. A. Assembly amendment 1 laid on table, Ayes 58, Noes 36.

01-20. A. Assembly amendment 2 offered by Representatives Richards and Seidel (**LRB a0271**).

01-20. A. Assembly amendment 2 laid on table, Ayes 58, Noes 35.

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- 01-20. A. Ordered to a third reading.
- 01-20. A. Rules suspended.
- 01-20. A. Read a third time and **concurred in**, Ayes 66, Noes 28, Paired 2.
- 01-20. A. Ordered immediately messaged.

2009
ENROLLED BILL

JAN 11 S.S.
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ADOPTED DOCUMENTS:

Orig Engr 5 SubAmdt 1 09 S 0008 / 4

Amendments to above (if none, write "NONE"): None

Corrections - show date (if none, write "NONE"): None

Topic Rel

1-21-11
Date

J. Smully
Enrolling Drafter



State of Wisconsin
2011 - 2012 LEGISLATURE
January 2011 Special Session



LRBs0008/4
MES:jld&wlj:rs

SENATE SUBSTITUTE AMENDMENT 1,
TO SENATE BILL 2

January 18, 2011 – Offered by JOINT COMMITTEE ON FINANCE.

1 AN ACT to create 71.83 (1) (ce) and subchapter XVI of chapter 71 [precedes 71.98]
2 of the statutes; relating to: adopting federal law as it relates to health savings
3 accounts for state income and franchise tax purposes and providing a penalty.

Analysis by the Legislative Reference Bureau

This substitute amendment adopts, for state income and franchise tax purposes, a number of provisions in the Internal Revenue Code that relate to claiming a deduction for an amount that a person pays into a health savings account. The substitute amendment also specifies that any gain generated by a health savings account is exempt from taxation.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

4 SECTION 1. 71.83 (1) (ce) of the statutes is created to read:
5 71.83 (1) (ce) *Health savings accounts.* Any person who is liable for a penalty
6 for federal income tax purposes under section 223 (f) (4) of the Internal Revenue Code

1 is liable for a penalty equal to 33 percent of that penalty. The department of revenue
2 shall assess, levy, and collect the penalty under this paragraph as it assesses, levies,
3 and collects taxes under this chapter.

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

6 **CHAPTER 71**

7 **SUBCHAPTER XVI**

8 **INTERNAL REVENUE CODE UPDATE**

9 **71.98 Internal Revenue Code update.** The following federal laws, to the
10 extent that they apply to the Internal Revenue Code, apply to this chapter:

11 (1) **HEALTH SAVINGS ACCOUNTS.** Sections 106 (d), 220 (f) (5) (A), 223, and 408 (d)
12 (9) of the Internal Revenue Code, all as amended to December 31, 2010, and relating
13 to health savings accounts.

14 **SECTION 3. Nonstatutory provisions.**

15 (1) **REQUIRED GENERAL FUND BALANCE.** Section 20.003 (4) of the statutes does not
16 apply to the action of the legislature in enacting this act.

17 **SECTION 4. Initial applicability.**

18 (1) This act first applies to taxable years beginning on January 1, 2011.

19 (END)