

State of Misconsin 2011 - 2012 LEGISLATURE

**January 2011 Special Session** 



## SENATE SUBSTITUTE AMENDMENT 1, TO SENATE BILL 2

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

Analysis by the Legislative Reference Bureau

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

SECTION 1. 71.83 (1) (ce) of the statutes is created to read:
71.83 (1) (ce) *Health savings accounts.* Any person who is liable for a penalty
for federal income tax purposes under section 223 (f) (4) of the Internal Revenue Code
is liable for a penalty equal to 33 percent of that penalty. The department of revenue
shall assess, levy, and collect the penalty under this paragraph as it assesses, levies,
and collects taxes under this chapter.

1	<b>SECTION 2.</b> Subchapter XVI of chapter 71 [precedes 71.98] of the statutes is
2	created to read:
3	CHAPTER 71
4	SUBCHAPTER XVI
5	INTERNAL REVENUE CODE UPDATE
6	71.98 Internal Revenue Code update. The following federal laws, to the
7	extent that they apply to the Internal Revenue Code, apply to this chapter:
8	(1) HEALTH SAVINGS ACCOUNTS. Sections 106 (d), 220 (f) (5) (A), 223, and 408 (d)
9	(9) of the Internal Revenue Code, all as amended to December 31, 2010, and relating
10	to health savings accounts.
11	SECTION 3. Nonstatutory provisions.
12	(1) REQUIRED GENERAL FUND BALANCE. Section 20.003 (4) of the statutes does not
13	apply to the action of the legislature in enacting this act.
14	SECTION 4. Initial applicability.
15	(1) This act first applies to taxable years beginning on January 1, 2011.
16	(END)