

## 2013 DRAFTING REQUEST

### Bill

Received: 3/25/2013 Received By: mshovers  
Wanted: As time permits Same as 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 Coverdale Savings Accounts. Redraft 2011 AB 466 (LRB 11-3148) and AA 1 (LRBa2132/3)

---

### Instructions:

Draft a Senate companion for Sen. Grothman. Create an individual income tax deduction for contributions to Coverdale Savings Accounts

---

### 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 3/25/2013	kfollett 3/25/2013	rschluet 3/25/2013	_____			
/1				_____	mbarman 3/25/2013	sbasford 3/26/2013	State Tax

FE Sent For:

at  
Intro

<END>

### 2013 DRAFTING REQUEST

**Bill**

Received: 3/25/2013 Received By: mshovers

Wanted: As time permits Same as 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 Coverdale Savings Accounts. Redraft 2011 AB 466 (LRB 11-3148) and AA 1 (LRBa2132/3)

**Instructions:**

Draft a Senate companion for Sen. Grothman. Create an individual income tax deduction for contributions to Coverdale Savings Accounts

**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 3/25/2013	kfollett 3/25/2013	rschluet 3/25/2013	_____	_____		
/1				_____	mbarman 3/25/2013		State Tax

FE Sent For:

<END>

per  
MES

2013 DRAFTING REQUEST

**Bill**

Received: 3/25/2013 Received By: mshovers

Wanted: As time permits Same as LRB:

For: Glenn Grothman (608) 266-7513 By/Representing: Hariah @ Rep. Thiesfeldt

May Contact: Drafter: mshovers

Subject: Tax, Individual - dedct/sbtret 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 Coverdale Savings Accounts. Redraft 2011 AB 466 (LRB 11-3148) and AA 1 (LRBa2132/3)

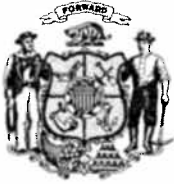
**Instructions:**

Draft a Senate companion for Sen. Grothman. Create an individual income tax deduction for contributions to Coverdale Savings Accounts

**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>
1/1	mshovers	1/15/13 3/25/13		_____	_____	Jacket for (5)	
FE Sent For:							

**<END>**



State of Wisconsin  
2013 - 2014 LEGISLATURE

1/27/11  
LRB 0068171  
MES:jld:pb  
From NR  
stuffs

2013 BILL

today  
Ticket for  
(5)

gln

1 AN ACT to create 71.05 (6) (b) 28. i. and 71.05 (6) (b) 48. of the statutes; relating  
2 to: creating an individual income tax deduction for certain contributions to a  
3 Coverdell Education Savings Account.

**Analysis by the Legislative Reference Bureau**

This bill creates 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.

