



State of Wisconsin

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RICHARD CHAMPAGNE
CHIEF

April 23, 2015

MEMORANDUM

To: Senator Marklein

From: Marc E. Shovers, Senior Attorney, (608) 266-0129

Subject: Technical Memorandum to **2015 SB 130** (LRB-1219/3) by **DOR**

We received the attached technical memorandum relating to your bill. This copy is for your information and your file.

If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

MEMORANDUM

April 22, 2015

TO: Marc Shovers
Legislative Reference Bureau

FROM: Mike Wagner
Department of Revenue

SUBJECT: Technical Memorandum on Senate Bill 130: Relating to Adopting Federal Law as it Relates to an Income Tax Deduction for Certain Educators

The Department has the following concerns related to the bill:

DOR suggests adding the following language, "For purposes of this subsection, the Internal Revenue Code means the federal Internal Revenue Code in effect for the year in which the deduction is claimed." This clarifies that an individual cannot file a late or amended return for a prior year based on the current year Internal Revenue Code (IRC). For example, absent the extra language, if the IRC for 2016 increased the deduction to \$500, a taxpayer filing a late 2015 return could argue that he/she is entitled to a \$500 deduction for 2015 as that is what the IRC allows.

If you have any questions regarding this technical memorandum, please contact Brad Caruth at (608) 261-8984 or bradley.caruth@revenue.wi.gov.

cc: Senator Marklein