

**2015 DRAFTING REQUEST**

**Bill**

Received: 11/6/2015 Received By: mshovers  
For: Richard Gudex (608) 266-5300 Same as LRB:  
May Contact: By/Representing: Lance  
Subject: Employ Priv - miscellaneous Drafter: mshovers  
Tax, Individual - income credit Addl. Drafters: mduchek

Extra Copies:

Submit via email: YES  
Requester's email: Sen.Gudex@legis.wisconsin.gov  
Carbon copy (CC) to: krista.pleviak@legis.wisconsin.gov

---

**Pre Topic:**

No specific pre topic given

---

**Topic:**

Individual income tax credit for certain homeowners in high-demand jobs

---

**Instructions:**

See attached. Income tax credit for those who graduate from college or tech. program in a "high-demand field" (as defined by DWD); own a home; work full-time.

---

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P1	mshovers 12/21/2015	kmochal 11/13/2015	_____	srose 11/13/2015		State
/1		kfollett 12/21/2015	_____	mbarman 12/22/2015	mbarman 12/22/2015	State

FE Sent For:

→ At Intro.

<END>

## Shovers, Marc

---

**From:** Burri, Lance  
**Sent:** Tuesday, November 10, 2015 9:54 AM  
**To:** Shovers, Marc  
**Subject:** RE: New bill request

Marc, on the uniformity clause issue, what if we increased the tax credit on student loan payments for those who own property? So it would be 25% of the student loan payments, bumped up to 35% of the student loan payments for people who own property in the state. Would that still violate the clause?

Lance Burri  
Office of Sen. Rick Gudex  
608-266-5300

---

**From:** Shovers, Marc  
**Sent:** Friday, November 06, 2015 5:57 PM  
**To:** Burri, Lance <Lance.Burri@legis.wisconsin.gov>  
**Subject:** RE: New bill request

Hi Lance:

I have a couple of questions, and I think there's a problem. First, what is an "IHU"? Do you mean that an eligible claimant may claim the credit for 5 years or until their claim amount equals 25% of their student loan balance, whichever comes first? Or do they have to meet all 3 criteria for 5 consecutive years before becoming eligible, and then they can claim the credit until their claim amount equals 25% of their student loan balance?

The problem is giving someone a credit equal to 25% of their property tax payments. This kind of a credit would create a partial exemption, which would violate the state constitution's Uniformity Clause. There are quite a few Wisconsin Supreme Court opinions on this issue.

Maybe it would be easiest to talk about this next week. Thanks!

Marc

---

**From:** Burri, Lance  
**Sent:** Thursday, November 05, 2015 12:07 PM  
**To:** Shovers, Marc <Marc.Shovers@legis.wisconsin.gov>  
**Subject:** New bill request

Marc, here's the gist of what the boss is asking for:

Purpose: to create an income tax credit for those who:

- Graduate from any IHU or other vocational program in a high demand field
- Work full time in Wisconsin (not necessarily in a high demand field)
- Own a home in Wisconsin

A person has to meet all three criteria to be eligible for the tax credit. The idea is to create an incentive for graduates to stay in Wisconsin.

Refundable tax credits:

- 25% of student loan repayments
- 25% of property tax payments

This will be available to each individual who meets the criteria for 5 consecutive years. We might cap it, say at \$1000 each annually, but not yet.

DWD will determine what high demand fields are. They're already kind of doing this.

We might be able to use the definitions of "full employment" that already exist. Might want to allow for some seasonal unemployment in industries that have that.

What if there is a gap between the time a person graduates and the time he/she buys a house?

- As long as the person is working in a high demand field at the time he/she buys the home, the 5 years starts the first year he/she is paying property taxes.

I'm checking to see if DWD or DOR has a definition of full time employment that would include the kinds of jobs that have regular seasonal layoffs, and if DOR ever checks for full employment anyway, since they'd have to know that to assess whether the person is eligible for the tax credit.

Is this enough to go on for a P draft?

Lance Burri  
Office of Sen. Rick Gudex  
608-266-5300

## Shovers, Marc

---

**From:** Burri, Lance  
**Sent:** Monday, November 09, 2015 8:42 AM  
**To:** Shovers, Marc  
**Cc:** Lakin, Tim  
**Subject:** RE: New bill request

Hi Marc. Thanks for looking through this so fast.

First, what is an "IHU"?

That should be IHE, I think. Institution of Higher Education. I got used to using the abbreviation and then misspelled it.

Do you mean that an eligible claimant may claim the credit for 5 years or until their claim amount equals 25% of their student loan balance, whichever comes first?

No, once the person meets the criteria, they can claim the credit. In any year in which they meet the criteria, up to a total of 5 years, they can claim the credit. So if a person is working full time and buys a house 2 years after graduating, that person can claim 25% of their student loan payments made in that year, and also 25% of their property taxes paid in that year.

As for the constitutional problem, we hadn't thought of that. I'll kick it up the chain.

Thanks again.

Lance Burri  
Office of Sen. Rick Gudex  
608-266-5300

---

**From:** Shovers, Marc  
**Sent:** Friday, November 06, 2015 5:57 PM  
**To:** Burri, Lance <Lance.Burri@legis.wisconsin.gov>  
**Subject:** RE: New bill request

Hi Lance:

I have a couple of questions, and I think there's a problem. First, what is an "IHU"? Do you mean that an eligible claimant may claim the credit for 5 years or until their claim amount equals 25% of their student loan balance, whichever comes first? Or do they have to meet all 3 criteria for 5 consecutive years before becoming eligible, and then they can claim the credit until their claim amount equals 25% of their student loan balance?

The problem is giving someone a credit equal to 25% of their property tax payments. This kind of a credit would create a partial exemption, which would violate the state constitution's Uniformity Clause. There are quite a few Wisconsin Supreme Court opinions on this issue.

Maybe it would be easiest to talk about this next week. Thanks!

Marc

---

**From:** Burri, Lance  
**Sent:** Thursday, November 05, 2015 12:07 PM  
**To:** Shovers, Marc <Marc.Shovers@legis.wisconsin.gov>  
**Subject:** New bill request

Marc, here's the gist of what the boss is asking for:

Purpose: to create an income tax credit for those who:

- Graduate from any IHU or other vocational program in a high demand field
- Work full time in Wisconsin (not necessarily in a high demand field)
- Own a home in Wisconsin

A person has to meet all three criteria to be eligible for the tax credit. The idea is to create an incentive for graduates to stay in Wisconsin.

Refundable tax credits:

- 25% of student loan repayments
- 25% of property tax payments

This will be available to each individual who meets the criteria for 5 consecutive years. We might cap it, say at \$1000 each annually, but not yet.

DWD will determine what high demand fields are. They're already kind of doing this.

We might be able to use the definitions of "full employment" that already exist. Might want to allow for some seasonal unemployment in industries that have that.

What if there is a gap between the time a person graduates and the time he/she buys a house?

- As long as the person is working in a high demand field at the time he/she buys the home, the 5 years starts the first year he/she is paying property taxes.

I'm checking to see if DWD or DOR has a definition of full time employment that would include the kinds of jobs that have regular seasonal layoffs, and if DOR ever checks for full employment anyway, since they'd have to know that to assess whether the person is eligible for the tax credit.

Is this enough to go on for a P draft?

Lance Burri  
Office of Sen. Rick Gudex  
608-266-5300



State of Wisconsin  
2015 - 2016 LEGISLATURE

LRB-3821/P1  
MES&MED...klem

In 11-11  
Out 11-13 if poss.

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

1 AN ACT <sup>Generate catalog</sup> ...; **relating to:** creating a refundable income tax credit for certain  
2 individuals who are making student loan payments. <sup>and making an appropriation</sup>

***Analysis by the Legislative Reference Bureau***

This bill creates a refundable individual income tax credit for student loan  
\* payments made by certain graduates of regionally accredited, nonprofit,  
post-secondary institutions.

\* Under the bill, an individual who graduates with a degree in a high demand  
field, as determined by ~~rule 10.01~~ the Department of Workforce Development, and  
works full-time in this state may claim a credit. The allowable credit amount is  
equal to 25% <sup>percent</sup> of the student loan payments the claimant makes to a lender in the year  
to which the claim relates. If the claimant owns a home in this state, the claimant  
may claim a credit amount that is equal to 35% <sup>percent</sup> of such student loan payments.

A claimant may claim the credit for no more than 5 <sup>five</sup> years, which need not be  
consecutive, and the credit is not available to nonresidents or part-year residents of  
this state. Because the credit is refundable, if the allowable amount of credit exceeds  
the claimant's tax liability, the difference is refunded to the claimant by check.

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:***

**SECTION 1**

1           **SECTION 1.** 20.835 (2) (cb) of the statutes is created to read:

2           20.835 (2) (cb) *Post-secondary school high demand degree tax credit.* A sum  
3 sufficient to pay the claims approved under s. 71.07 (8m).

4           **SECTION 2.** 71.07 (8m) of the statutes is created to read:

5           **71.07 (8m) POST-SECONDARY SCHOOL HIGH DEMAND DEGREE TAX CREDIT.** (a)

6           *Definitions.* In this subsection:

7           1. "Claimant" means an individual who claims a a credit under this subsection.

8           2. "Eligible institution" means a regionally accredited, nonprofit,  
9 post-secondary educational institution.

10          3. "Full-time work" has the meaning given by the department of workforce  
11 development under par. (d).

12          4. "High demand field" has the meaning given by the department of workforce  
13 development under par. (d).

14          5. "Home" means land in this state that is owned by a claimant and consists  
15 of the claimant's dwelling and the <sup>land/area</sup> surrounding it, not exceeding one acre, that  
16 is reasonably necessary for use of the dwelling as a <sup>residence</sup> home, and may consist of a part  
17 of a multidwelling or multipurpose building and a part of the land upon which it is  
18 built.

\*\*\*\*NOTE: Does this definition meet your intent? It's based in part on ss. 49.496 (1)  
(b) and 71.52 (3). (MES)

19          6. "Lender" means any person to whom a student loan is repayable, including  
20 an agency, subdivision, or agent of the federal or state government with respect to  
21 a student loan made under a federal or state student loan program.

1           7. “Student loan” means a loan made to a claimant, the proceeds of which were  
2 used to pay for tuition, fees, books, room and board, and educational supplies that  
3 were directly related to the claimant’s attendance at an eligible institution.

4           (b) *Filing claims.* Subject to the limitations and other provisions provided in  
5 this subsection, a claimant may claim as a credit against the tax imposed under s.  
6 71.02 or 71.08 one of the following amounts in the year to which the claim relates,  
7 and if the allowable amount of the claim exceeds the income taxes otherwise due on  
8 the claimant’s income, the amount of the claim not used as an offset against those  
9 taxes shall be certified by the department of revenue to the department of  
10 administration for payment to the claimant by check, share draft, or other draft  
11 drawn from the appropriation account under s. 20.835(2)(cb). The amount which  
12 a claimant may claim under this subsection is one of the following:

13           1. If the claimant does not own a home, an amount equal to 25 percent of the  
14 student loan payments the claimant makes to a lender in the year to which the claim  
15 relates.

16           2. If the claimant owns a home, an amount equal to 35 percent of the student  
17 loan payments the claimant makes to a lender in the year to which the claim relates.

18           (c) *Limitations, provisions.* 1. An individual may not claim the credit under  
19 this subsection unless the individual engages in full-time work in this state in the  
20 year to which the claim relates.

21           2. An individual may not claim the credit under this subsection unless the  
22 individual has been awarded a degree in a high-demand field from an eligible  
23 institution.

24           3. No credit may be claimed under this subsection by a part-year resident or  
25 a nonresident of this state.



**SECTION 2**

1           4. A claimant may claim the credit under this subsection for no more than 5  
2 taxable years, which need not be consecutive.

3           5. With regard to a taxable year for which an individual is eligible to claim the  
4 credit under this subsection, a claimant may only claim the credit within the time  
5 period specified under s. 71.75 (2).

6           6. No credit may be allowed under this subsection for a taxable year covering  
7 a period of less than 12 months, except for a taxable year closed by reason of the death  
8 of the taxpayer.

9           (d) *Duties of department of workforce development.* For purposes of this section,  
10 the department of workforce development shall determine what constitutes a  
11 high-demand field in this state and what constitutes full-time work. The  
12 department shall publish its determinations on its Internet site.

★ **NOTE:** Let me know if you would like any changes here. It seemed to me that what constitutes a high-demand field could shift over time, so you may wish to allow or require DWD to periodically update the list of high-demand fields. I did not include any such language, however, since the credit could be claimed for up to 5 years, which need not be consecutive, and if the list of high-demand fields were to change, it would raise the question as to whether someone could continue to claim the credit after the change. Let me know if you would like to address this somehow. (MED)

*and if you would like to provide any additional guidance to DWD for making these determinations*

**NOTE:** I exempted DWD's determinations from rulemaking requirements, which should allow them to make those determinations more quickly. If, however, you would like to require these determinations to be subject to public input through the rulemaking process, let me know, but promulgating emergency or permanent rules would take additional time. Otherwise, this simply requires DWD to publish the definitions on its Internet site. (MED)

13           **SECTION 3.** 71.08 (1) (intro.) of the statutes, as affected by 2015 Wisconsin Act  
14 55, is amended to read:

15           71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married  
16 couple filing jointly, trust, or estate under s. 71.02, not considering the credits under  
17 ss. 71.07 (1), (2dx), (2dy), (3m), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s), (3t), (3w), (3y),  
18 (4k), (5b), (5d), (5e), (5f), (5h), (5i), (5j), (5n), (6), (6e), (8m), (8r), (9e), (9m), and (9r),

1 71.28 (1dx), (1dy), (2m), (3), (3n), (3t), (3w), and (3y), 71.47 (1dx), (1dy), (2m), (3), (3n),  
2 (3t), (3w), and (3y), 71.57 to 71.61, and 71.613 and subch. VIII and payments to other  
3 states under s. 71.07 (7), is less than the tax under this section, there is imposed on  
4 that natural person, married couple filing jointly, trust or estate, instead of the tax  
5 under s. 71.02, an alternative minimum tax computed as follows:

**History:** 1987 a. 312, 411; 1989 a. 31; 1991 a. 39; 1995 a. 27, 209; 1997 a. 27, 237; 1999 a. 9; 2001 a. 109; 2003 a. 99, 135, 255, 326; 2005 a. 25, 177, 361, 479, 483; 2007  
a. 20, 97; 2009 a. 2, 28, 269, 295; 2011 a. 260 ss. 24, 80; 2013 a. 62, 145; 2015 a. 55.

6 **SECTION 4.** 71.10 (4) (i) of the statutes, as affected by 2015 Wisconsin Act 55,  
7 is amended to read:

8 71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland  
9 preservation credit under ss. 71.57 to 71.61, farmland preservation credit, 2010 and  
10 beyond under s. 71.613, homestead credit under subch. VIII, farmland tax relief  
11 credit under s. 71.07 (3m), dairy manufacturing facility investment credit under s.  
12 71.07 (3p), jobs tax credit under s. 71.07 (3q), meat processing facility investment  
13 credit under s. 71.07 (3r), woody biomass harvesting and processing credit under s.  
14 71.07 (3rm), food processing plant and food warehouse investment credit under s.  
15 71.07 (3rn), business development credit under s. 71.07 (3y), film production services  
16 credit under s. 71.07 (5f), film production company investment credit under s. 71.07  
17 (5h), veterans and surviving spouses property tax credit under s. 71.07 (6e),  
18 enterprise zone jobs credit under s. 71.07 (3w), post-secondary school high demand  
19 degree tax credit under s. 71.07 (8m), beginning farmer and farm asset owner tax  
20 credit under s. 71.07 (8r), earned income tax credit under s. 71.07 (9e), estimated tax  
21 payments under s. 71.09, and taxes withheld under subch. X.

**History:** 1987 a. 312; 1987 a. 411 ss. 94, 97, 176 to 179; 1987 a. 422 s. 4; 1989 a. 31, 56, 359; 1991 a. 39; 1993 a. 16, 184; 1995 a. 27, 209, 418, 453; 1997 a. 27, 63, 237,  
248; 1999 a. 9, 167; 2001 a. 16, 109; 2003 a. 33, 99, 135, 176, 255, 321; 2005 a. 25, 49, 71, 74, 177, 178, 323, 361, 460, 479, 483; 2007 a. 1, 20, 96, 97; 2009 a. 2, 28, 89, 265,  
269, 295, 332; 2011 a. 32, 76, 169, 212, 222, 232; 2011 a. 260 ss. 25, 80; 2013 a. 20, 62, 145; 2013 a. 165 s. 114; 2015 a. 55.

22 **SECTION 5.** 227.01 (13) (Ls) of the statutes is created to read:



## Shovers, Marc

---

**From:** Lakin, Tim  
**Sent:** Monday, December 21, 2015 1:01 PM  
**To:** Shovers, Marc  
**Subject:** Student loan debt  
**Attachments:** 15-3821\_P1.pdf

Marc,

Lance is out this week and I want to get a couple of bills out this week for Co-sponsorship.

Can you add an aggregate limit on the amount of the credit. Let's say up to \$2,000 per year.

I'd like to get it jacketed and out this week.

Thanks!

**Tim Lakin**

*Chief of Staff*

*Senator Rick Gudex*

Room 415-South, State Capital

[Tim.lakin@legis.wisconsin.gov](mailto:Tim.lakin@legis.wisconsin.gov)

Phone 608-266-5300





State of Wisconsin  
2015 - 2016 LEGISLATURE

LRB-3821/P1  
MES&MED:klm

RMA

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

WANTED  
TUES (or  
wed morning)

Jacket for (S)

Keppen

1 **AN ACT to amend** 71.08 (1) (intro.) and 71.10 (4) (i); and **to create** 20.835 (2) (cb),  
2 71.07 (8m) and 227.01 (13) (Ls) of the statutes; **relating to:** creating a  
3 refundable income tax credit for certain individuals who are making student  
4 loan payments and making an appropriation.

***Analysis by the Legislative Reference Bureau***

This bill creates a refundable individual income tax credit for student loan payments made by certain graduates of regionally accredited, nonprofit, post-secondary institutions.

Under the bill, an individual who graduates with a degree in a high-demand field, as determined by the Department of Workforce Development, and works full-time in this state may claim a credit. The allowable credit amount is equal to 25 percent of the student loan payments the claimant makes to a lender in the year to which the claim relates. If the claimant owns a home in this state, the claimant may claim a credit amount that is equal to 35 percent of such student loan payments.

A claimant may claim the credit for no more than five years, which need not be consecutive, and the credit is not available to nonresidents or part-year residents of this state. Because the credit is refundable, if the allowable amount of credit exceeds the claimant's tax liability, the difference is refunded to the claimant by check.

The maximum credit that may be claimed by a claimant is \$2,000 each taxable year.

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.** 20.835 (2) (cb) of the statutes is created to read:

2           20.835 (2) (cb) *Post-secondary school high-demand degree tax credit.* A sum  
3 sufficient to pay the claims approved under s. 71.07 (8m).

4           **SECTION 2.** 71.07 (8m) of the statutes is created to read:

5           **71.07 (8m) POST-SECONDARY SCHOOL HIGH-DEMAND DEGREE TAX CREDIT.** (a)

6           *Definitions.* In this subsection:

7           1. “Claimant” means an individual who claims a a credit under this subsection.

8           2. “Eligible institution” means a regionally accredited, nonprofit,  
9 post-secondary educational institution.

10          3. “Full-time work” has the meaning given by the department of workforce  
11 development under par. (d). *de*

12          4. “High-demand field” has the meaning given by the department of workforce  
13 development under par. (d). *de*

14          5. “Home” means land in this state that a claimant owns and that consists of  
15 the claimant’s dwelling and the area surrounding it, not exceeding one acre, that is  
16 reasonably necessary for use of the dwelling as a residence, and may consist of a part  
17 of a multidwelling or multipurpose building and a part of the land upon which it is  
18 built.

\*\*\*\*NOTE: Does this definition meet your intent? It is based in part on ss. 49.496  
(1) (b) and 71.52 (3). (MES)

1           6. “Lender” means any person to whom a student loan is repayable, including  
2           an agency, subdivision, or agent of the federal or state government, with respect to  
3           a student loan made under a federal or state student loan program.

4           7. “Student loan” means a loan made to a claimant, the proceeds of which were  
5           used to pay for tuition, fees, books, room and board, and educational supplies that  
6           were directly related to the claimant’s attendance at an eligible institution.

7           (b) *Filing claims.* Subject to the limitations and other provisions provided in  
8           this subsection, a claimant may claim as a credit against the tax imposed under s.  
9           71.02 or 71.08 one of the following amounts in the year to which the claim relates,  
10          and if the allowable amount of the claim exceeds the income taxes otherwise due on  
11          the claimant’s income, the amount of the claim not used as an offset against those  
12          taxes shall be certified by the department of revenue to the department of  
13          administration for payment to the claimant by check, share draft, or other draft  
14          drawn from the appropriation account under s. 20.835 (2) (cb). The amount which  
15          a claimant may claim under this subsection is one of the following:

16           1. If the claimant does not own a home, an amount equal to 25 percent of the  
17          student loan payments the claimant makes to a lender in the year to which the claim  
18          relates.

19           2. If the claimant owns a home, an amount equal to 35 percent of the student  
20          loan payments the claimant makes to a lender in the year to which the claim relates.

21           (c) *Limitations, provisions.* 1. An individual may not claim the credit under  
22          this subsection unless the individual engages in full-time work in this state in the  
23          year to which the claim relates.

## SECTION 2

1           2. An individual may not claim the credit under this subsection unless the  
2 individual has been awarded a degree in a high-demand field from an eligible  
3 institution.

4           3. No credit may be claimed under this subsection by a part-year resident or  
5 a nonresident of this state.

6           4. A claimant may claim the credit under this subsection for no more than 5  
7 taxable years, which need not be consecutive.

8           5. With regard to a taxable year for which an individual is eligible to claim the  
9 credit under this subsection, a claimant may only claim the credit within the time  
10 period specified under s. 71.75 (2).

11           6. No credit may be allowed under this subsection for a taxable year covering  
12 a period of less than 12 months, except for a taxable year closed by reason of the death  
13 of the taxpayer.

14           (e) <sup>(d)</sup> *Duties of department of workforce development.* For purposes of this  
15 subsection, the department of workforce development shall determine what  
16 constitutes a high-demand field in this state and what constitutes full-time work.

17 The department shall publish its determinations on its Internet site.

\*\*\*\*NOTE: Let me know if you would like any changes here and if you would like to provide any additional guidance to DWD for making these determinations. It seemed to me that what constitutes a high-demand field could shift over time, so you may wish to allow or require DWD to periodically update the list of high-demand fields. I did not include any such language, however, since the credit could be claimed for up to 5 years, which need not be consecutive, and if the list of high-demand fields were to change, it would raise the question as to whether someone could continue to claim the credit after the change. Let me know if you would like to address this somehow. (MED)

\*\*\*\*NOTE: I exempted DWD's determinations from rulemaking requirements, which should allow them to make those determinations more quickly. If, however, you would like to require these determinations to be subject to public input through the rulemaking process, let me know, but promulgating emergency or permanent rules would take additional time. Otherwise, this simply requires DWD to publish the definitions on its Internet site. (MED)



1           **SECTION 3.** 71.08 (1) (intro.) of the statutes, as affected by 2015 Wisconsin Act  
2 55, is amended to read:

3           71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married  
4 couple filing jointly, trust, or estate under s. 71.02, not considering the credits under  
5 ss. 71.07 (1), (2dx), (2dy), (3m), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s), (3t), (3w), (3y),  
6 (4k), (5b), (5d), (5e), (5f), (5h), (5i), (5j), (5n), (6), (6e), (8m), (8r), (9e), (9m), and (9r),  
7 71.28 (1dx), (1dy), (2m), (3), (3n), (3t), (3w), and (3y), 71.47 (1dx), (1dy), (2m), (3), (3n),  
8 (3t), (3w), and (3y), 71.57 to 71.61, and 71.613 and subch. VIII and payments to other  
9 states under s. 71.07 (7), is less than the tax under this section, there is imposed on  
10 that natural person, married couple filing jointly, trust or estate, instead of the tax  
11 under s. 71.02, an alternative minimum tax computed as follows:

12           **SECTION 4.** 71.10 (4) (i) of the statutes, as affected by 2015 Wisconsin Act 55,  
13 is amended to read:

14           71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland  
15 preservation credit under ss. 71.57 to 71.61, farmland preservation credit, 2010 and  
16 beyond under s. 71.613, homestead credit under subch. VIII, farmland tax relief  
17 credit under s. 71.07 (3m), dairy manufacturing facility investment credit under s.  
18 71.07 (3p), jobs tax credit under s. 71.07 (3q), meat processing facility investment  
19 credit under s. 71.07 (3r), woody biomass harvesting and processing credit under s.  
20 71.07 (3rm), food processing plant and food warehouse investment credit under s.  
21 71.07 (3rn), business development credit under s. 71.07 (3y), film production services  
22 credit under s. 71.07 (5f), film production company investment credit under s. 71.07  
23 (5h), veterans and surviving spouses property tax credit under s. 71.07 (6e),  
24 enterprise zone jobs credit under s. 71.07 (3w), post-secondary school high-demand  
25 degree tax credit under s. 71.07 (8m), beginning farmer and farm asset owner tax

1 credit under s. 71.07 (8r), earned income tax credit under s. 71.07 (9e), estimated tax  
2 payments under s. 71.09, and taxes withheld under subch. X.

3 **SECTION 5.** 227.01 (13) (Ls) of the statutes is created to read:

4 227.01 (13) (Ls) Determines what constitutes high-demand fields in this state  
5 and full-time work for purposes of s. 71.07 (8m) (d). *fe*

6 **SECTION 6. 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)

**2015-2016 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-3821/lins  
MES&MED:klm

INS 4-13

7. The maximum credit that a claimant may claim under this subsection in a taxable year is \$2,000.

(d) *Administration*. Subsection (9e) (d), to the extent that it applies to the credit under that subsection, applies to the credit under this subsection.

**Barman, Mike**

---

**From:** LRB.Legal  
**To:** Sen.Gudex  
**Subject:** Draft review: LRB -3821/1  
**Attachments:** 15-3821/1

**State of Wisconsin - Legislative Reference Bureau**  
**One East Main Street - Suite 200 - Madison**

**The attached draft was prepared at your request. Please review it carefully to ensure that it satisfies your intent.** If you have any questions concerning the draft or would like to have it redrafted, please contact Marc E. Shovers, Senior Legislative Attorney, at (608) 266-0129, at [marc.shovers@legis.wisconsin.gov](mailto:marc.shovers@legis.wisconsin.gov), or at One East Main Street, Suite 200.

**We will jacket this draft for introduction in the Senate.** (per MES)

If the last paragraph of the analysis states that a fiscal estimate will be prepared, the LRB will submit a request to DOA when the draft is introduced. You may obtain a fiscal estimate on the draft prior to introduction by contacting our program assistants at [LRB.Legal@legis.wisconsin.gov](mailto:LRB.Legal@legis.wisconsin.gov) or at (608) 266-3561. If you requested a fiscal estimate on an earlier version of this draft and would like to obtain a fiscal estimate on the current version before it is introduced, you will need to request a revised fiscal estimate from our program assistants.

**Please call our program assistants at (608) 266-3561 if you have any questions regarding this email.**