



# State of Wisconsin

## LEGISLATIVE REFERENCE BUREAU

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RICHARD CHAMPAGNE  
CHIEF

January 20, 2016

## MEMORANDUM

**To:** Senator Gudex

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

Mike Duchek, Legislative Attorney, (608) 266-0130

**Subject:** Technical Memorandum to **2015 SB 529** (LRB-3821/1) by **DOR**

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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

January 19, 2016

**TO:** Marc Shovers  
Michael Duchek  
Legislative Reference Bureau

**FROM:** Mike Wagner  
Department of Revenue

**SUBJECT:** Technical Memorandum on Senate Bill 529: Relating to Creating a Refundable Income Tax Credit for Certain Individuals Who are Making Student Loan Payments and Making an Appropriation

The Department has the following concerns related to the bill:

- Line 7—typo in the definition of claimant. The second "a" should be deleted.
- "Student loan" means a loan made to a claimant, the proceeds of which were used to pay for tuition, fees, books, room and board, and educational supplies that were directly related to the claimant's attendance at an eligible institution. It will be difficult for the department to determine if the proceeds of a loan were used entirely for educational expenses or for other purposes. Moreover, if the department determines that a portion of a loan was use for non-qualifying expenses, it is not clear whether that disqualifies the entire loan for credit purposes.

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

cc: Senator Gudex