

2017 DRAFTING REQUEST**Assembly Amendment (AA-AB734)**For: **Rob Stafsholt (608) 266-7683**Drafter: **kpleviak**By: **Sharlene**Secondary Drafters: **mshovers**Date: **2/13/2018**

May Contact:

Same as LRB:

Submit via email: **YES**
 Requester's email: **Rep.Stafsholt@legis.wisconsin.gov**
 Carbon copy (CC) to: **krista.pleviak@legis.wisconsin.gov**
marc.shovers@legis.wisconsin.gov
joseph.kreye@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Individual and corporate tax deductions for tuition and other expenses paid for apprenticeship programs

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mshovers 2/14/2018				
/P1	kpleviak 2/15/2018	anienaja 2/14/2018	lparisi 2/14/2018		
/1		aernsttr 2/15/2018	mbarman 2/15/2018	mbarman 2/15/2018	

FE Sent For:

<END>

Pleviak, Krista

From: Shovers, Marc
Sent: Tuesday, February 13, 2018 10:51 AM
To: Pleviak, Krista
Subject: FW: Amendment Draft
Attachments: ProposedAmendment2.doc.rtf

From: Konkel, Sharlene
Sent: Tuesday, February 13, 2018 10:08 AM
To: Shovers, Marc <Marc.Shovers@legis.wisconsin.gov>
Subject: Amendment Draft

Marc-

Could I get the attached drafted into an amendment for AB 734?

Thanks!!

Sharlene Konkel
Legislative Assistant
Representative Rob Stafsholt
29th Assembly District
(608)266-7683

PROPOSED AMENDMENT

STATE OF WISCONSIN 2017 ASSEMBLY BILL 734

This Proposed Amendment shall add a Sub-paragraph (e) to Section 71.05(6)(b)(54)

which shall read as follows:

- e. In this sub-division, "tuition expenses" shall include the meaning given in s106.05(1)(b) and shall further include any and all amounts paid by an employer to a fund which is established and maintained, in all or in part, to pay the costs and expenses of an apprenticeship program pursuant to s106.001(6).

WISCONSIN LEGISLATIVE REFERENCE BUREAU

Information Services 608-266-0341—Legal Services 608-266-3561



2/13/18 Telephone conference with Sherlene in
Rep. Stafsholt's office and Bob Welch:

- Prepare an amendment to AB 734 that
does all of the following:

* Allow a deduction for any taxpayer (not just
employers) that pays (1) tuition expenses or (2)
other amounts to a fund, for an apprenticeship
program.

* Taxpayers cannot deduct amounts for which they
received a grant from DWD under s. 106.05,
stats.

* Deduction applies to amounts contributed to a fund
and used for related instruction expenses. The
fund must be a separate account established by
employers, employee organizations, or others for
apprenticeship programs approved by DWD. The
money need not be used for an apprentice of the
taxpayer - anyone may contribute to a fund and
claim the deduction. The only limit is that the
money must be used to provide related instruction.

-KRP



RMA

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION
ASSEMBLY AMENDMENT,
TO ASSEMBLY BILL 734**

*Today
2pm,
(H)*

- 1 At the locations indicated, amend the bill as follows:
- 2 **1.** Page 2, line 1: delete “b. to d.” and substitute “b. to e.”.
- 3 **2.** Page 2, line 2: after “expenses” insert “or fees”.
- 4 **3.** Page 2, line 4: after “program” insert “or to have the right to participate in
- 5 related instruction”.
- 6 **4.** Page 2, line 11: after that line insert:
- 7 “e. In this subdivision, “related instruction” means related instruction, as
- 8 described under s. 106.01 (6).”.
- 9 **5.** Page 2, line 13: delete lines 13 to 16 and substitute:
- 10 “71.26 (1) (i) *Apprenticeship program tuition payments.* 1. Subject to the
- 11 limitations and definitions in this paragraph, for taxable years beginning after
- 12 December 31, 2017, any of the following amounts a taxpayer paid in the taxable year:

1 a. Any amount paid for tuition expenses for an individual to participate in an
2 apprenticeship program.

3 b. Any amount contributed to an apprenticeship program account to the extent
4 the contribution is used directly or indirectly to provide related instruction.

5 2. No taxpayer may claim a deduction under this paragraph for any amount
6 for which the taxpayer receives reimbursement under s. 106.05 (2).

7 3. In this paragraph:

8 a. "Apprenticeship program" has the meaning given in s. 106.001 (4).

9 b. "Apprenticeship program account" means a separate account that is
10 established and maintained by one or more sponsors for the purpose of paying the
11 costs and expenses of operating an apprenticeship program.

****NOTE: Please check the definition of "sponsor" in s. 106.001 (8), stats., to confirm
whether the use of that term here is consistent with your intent. (KRP)

12 c. "Related instruction" means related instruction, as described under s. 106.01
13 (6).

14 d. "Sponsor" has the meaning given in s. 106.001 (8)."

15 **6.** Page 2, line 18: delete lines 18 to 20 and substitute:

16 "71.45 (1) (d) 1. Subject to the limitations and definitions in this paragraph, for
17 taxable years beginning after December 31, 2017, any of the following amounts a
18 taxpayer paid in the taxable year:

19 a. Any amount paid for tuition expenses for an individual to participate in an
20 apprenticeship program.

21 b. Any amount contributed to an apprenticeship program account to the extent
22 the contribution is used directly or indirectly to provide related instruction.

1 2. No taxpayer may claim a deduction under this paragraph for any amount
2 for which the taxpayer receives reimbursement under s. 106.05 (2).

3 3. In this paragraph:

4 a. "Apprenticeship program" has the meaning given in s. 106.001 (4).

5 b. "Apprenticeship program account" means a separate account that is
6 established and maintained by one or more sponsors for the purpose of paying the
7 costs and expenses of operating an apprenticeship program.

8 c. "Related instruction" means related instruction, as described under s. 106.01
9 (6).

10 d. "Sponsor" has the meaning given in s. 106.001 (8).".

11

(END)

Pleviak, Krista

From: Konkel, Sharlene
Sent: Wednesday, February 14, 2018 2:52 PM
To: Pleviak, Krista
Subject: RE: Apprenticeship Amendment

Krista-

Here is the input from Bob:

We need the word "fund" used. Otherwise it's not right. Our attorney thinks that including related expenses could include wages paid for on the job training. I think the drafter shared that concern. So best to take it out.

Can we get that done please? Thanks!!!

Sharlene Konkel
Legislative Assistant
Representative Rob Stafsholt
29th Assembly District
(608)266-7683

*2/15/18 - Per Bob,
just change "fund" -
skip the 2nd comment -
-KRS*

From: Pleviak, Krista
Sent: Wednesday, February 14, 2018 11:21 AM
To: Konkel, Sharlene <Sharlene.Konkel@legis.wisconsin.gov>
Subject: RE: Apprenticeship Amendment

Marc and I are working on it. Should be early afternoon, I would expect. Say, no later than 2:00?

Krista R. Pleviak
Legislative Attorney
Wisconsin Legislative Reference Bureau
P.O. Box 2037
Madison, WI 53701-2037
(608) 266 - 7290
krista.pleviak@legis.wisconsin.gov

From: Konkel, Sharlene
Sent: Wednesday, February 14, 2018 11:18 AM
To: Pleviak, Krista <Krista.Pleviak@legis.wisconsin.gov>
Subject: Apprenticeship Amendment

Good morning Krista-

I'm just checking in to see if there is progress on the Amendment you discussed with Bob Welch and myself yesterday relating to AB 734. It is hitting the floor tomorrow, so I'm just seeing where we're at.



State of Wisconsin
2017 - 2018 LEGISLATURE

LRBa2134/P1
KRP&MES:amn

now

RMR

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

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TO ASSEMBLY BILL 734**

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1 a. Any amount paid for tuition expenses for an individual to participate in an
2 apprenticeship program.

3 b. Any amount contributed to an apprenticeship program ^{fund} account to the extent
4 the contribution is used directly or indirectly to provide related instruction.

5 2. No taxpayer may claim a deduction under this paragraph for any amount
6 for which the taxpayer receives reimbursement under s. 106.05 (2).

7 3. In this paragraph:

8 a. "Apprenticeship program" has the meaning given in s. 106.001 (4).

9 b. "Apprenticeship program ^{fund} account" means a separate ^{fund} account that is
10 established and maintained by one or more sponsors for the purpose of paying the
11 costs and expenses of operating an apprenticeship program.

****NOTE: Please check the definition of "sponsor" in s. 106.001 (8), stats., to confirm whether the use of that term here is consistent with your intent. (KRP)

12 c. "Related instruction" means related instruction, as described under s. 106.01
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- 2 for which the taxpayer receives reimbursement under s. 106.05 (2).
- 3 3. In this paragraph:
- 4 a. "Apprenticeship program" has the meaning given in s. 106.001 (4).
- 5 b. "Apprenticeship program account" means a separate account ^{fund} that is
- 6 established and maintained by one or more sponsors for the purpose of paying the
- 7 costs and expenses of operating an apprenticeship program.
- 8 c. "Related instruction" means related instruction, as described under s. 106.01
- 9 (6).
- 10 d. "Sponsor" has the meaning given in s. 106.001 (8).".

11

(END)