

LRB

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## MEMORANDUM

DATE January 3, 2018

SUBJECT Technical memorandum to **2017 AB 757** (LRB-4743/1) by DOR

TO Representative Subeck

FROM Marc Shovers, Senior Legislative Attorney, (608) 266-0129

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 3, 2018

**TO:** Marc Shovers  
Legislative Reference Bureau

**FROM:** Bob Schmidt  
Department of Revenue

**SUBJECT:** Technical Memorandum on Assembly Bill 757: Relating to Creating an Individual Income Tax Credit for Certified Nursing Assistant Training Costs

The Department has the following concerns related to the bill:

The training costs under s. 71.07 (8m) (a) 3., are defined as "costs incurred by an individual for an instructional program that results in the individual becoming a certified nursing assistant." The Department would prefer specific guidance regarding qualified costs. For example, does this include costs for transportation to and from the instructional program or is it limited to the program and course books and fees?

The claimant is allowed to claim as a credit the amount of training costs incurred. There is no indication that these training costs have to be paid by the claimant and there is no indication that the claim is made within a certain timeframe after the costs are incurred.

Under the bill language, the credit may be claimed under s. 71.02 or 71.08. Section 71.08 will be repealed effective in 2019.

A subtraction is allowed in sec. 71.05 (6) (b) 32., for amounts contributed to a college savings account. If the instructional program is provided through an accredited postsecondary education institution, then distributions from a college savings account to pay for the instructional program would not be taxable. The bill would result in a double benefit for the same expense.

A subtraction is also allowed in sec. 71.05 (6) (b) 28., for tuition and fee expenses paid during the year. If the instructional program is provided through an accredited postsecondary education institution, the bill would result in a double benefit for the same expense.

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: Representative Subeck