

2019 DRAFTING REQUEST

Bill

For: **Administration-Budget 6-1923** Drafter: **mshovers**
 By: **Quinn** Secondary Drafters:
 Date: **1/2/2019** May Contact:

Same as LRB:

Submit via email: **YES**
 Requester's email:
 Carbon copy (CC) to: **doasbostatlanguage@wisconsin.gov**
Erika.Lunder@legis.wisconsin.gov

Pre Topic:

DOA:.....Quinn, BB0161 -

Topic:

Increase the earned income tax credit

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mshovers 1/4/2019				
/P1	mshovers 2/17/2019	csicilia 1/8/2019	mbarman 1/8/2019		State
/P2		csicilia 2/18/2019	dwalker 2/18/2019		State

FE Sent For: **<END>**

Shovers, Marc

From: Kreye, Joseph
Sent: Monday, December 31, 2018 6:42 PM
To: Shovers, Marc
Cc: Lunder, Erika
Subject: FW: Statutory Language Drafting Request - 2019-21

From: Cathlene Hanaman [cathleneh@gmail.com]
Sent: Saturday, December 29, 2018 4:14 PM
To: Kreye, Joseph; Lunder, Erika
Subject: Fwd: Statutory Language Drafting Request - 2019-21

Sent from my iPhone

Begin forwarded message:

From: "brian.quinn@wisconsin.gov<mailto:brian.quinn@wisconsin.gov>"
<brian.quinn@wisconsin.gov<mailto:brian.quinn@wisconsin.gov>>
Date: December 28, 2018 at 2:59:48 PM MST
To: <Cathlene.Hanaman@legis.wisconsin.gov<mailto:Cathlene.Hanaman@legis.wisconsin.gov>>
Cc: <Paul2.Ziegler@wisconsin.gov<mailto:Paul2.Ziegler@wisconsin.gov>>,
<Brian.Quinn@wisconsin.gov<mailto:Brian.Quinn@wisconsin.gov>>
Subject: Statutory Language Drafting Request - 2019-21
Reply-To: <brian.quinn@wisconsin.gov<mailto:brian.quinn@wisconsin.gov>>

Biennial Budget: 2019-21

Topic: Earned Income Tax Credit

- 1192

Tracking Code: BB0161

SBO Team: TLGED

SBO Analyst: Quinn, Brian D - DOA
Phone: (608) 266-1923
E-mail: brian.quinn@wisconsin.gov<mailto:brian.quinn@wisconsin.gov>

Agency Acronym: 835

Agency Number: 835

Priority: Low

Intent:

Beginning with tax year 2020, increase the percentage of the federal credit for filers with 1 dependent from 4 percent to 11 percent and for filers with 2 dependents from 11 percent to 14 percent.

Attachments: False

Please send completed drafts to
SBOSatlanguage@spmail.enterprise.wistate.us<mailto:SBOSatlanguage@spmail.enterprise.wistate.us>



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-1192/P1
MES:...

js

DOA:.....Quinn, BB0161 - Increase the earned income tax credit

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

MON?

surely
SA
comp

Ø

claimant

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

TAXATION

INCOME TAXATION

credit

Under this bill, for taxable years beginning after 2019, an individual who is eligible to claim the federal Earned Income Tax Credit may claim as a credit against Wisconsin taxes due 11 percent of the amount that the taxpayer may claim under the federal credit if the claimant has one qualifying child with the same principal place of abode, 14 percent if the claimant has two such qualifying children, and 34 percent if the claimant has three or more such qualifying children. Currently, the percentage of the federal EITC that an individual may claim for Wisconsin purposes is 4 percent of the EITC if the claimant has one qualifying child with the same principal place of abode, 11 percent if the claimant has two such qualifying children, and 34 percent if the claimant has three or more such qualifying children. The credit is refundable, which means that, if the amount of credit due the claimant exceeds his or her 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.** 71.07 (9e) (aj) (intro.) of the statutes is amended to read:

2 71.07 (9e) (aj) (intro.) For taxable years beginning after December 31, 2010,
3 and before January 1, 2020, an individual may credit against the tax imposed under
4 s. 71.02 an amount equal to one of the following percentages of the federal basic
5 earned income credit for which the person is eligible for the taxable year under
6 section 32 (b) (1) (A) to (C) of the Internal Revenue Code:

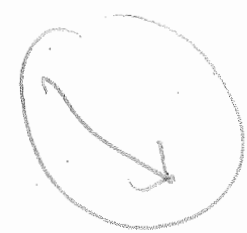
7 **SECTION 2.** 71.07 (9e) (ak) of the statutes is created to read:

8 71.07 (9e) (ak) For taxable years beginning after December 31, 2019, an
9 individual may credit against the tax imposed under s. 71.02 an amount equal to one
10 of the following percentages of the federal basic earned income credit for which the
11 person is eligible for the taxable year under section 32 (b) (1) of the Internal Revenue
12 Code:

- 13 1. If the person has one qualifying child who has the same principal place of
- 14 abode as the person, 11 percent
- 15 2. If the person has 2 qualifying children who have the same principal place of
- 16 abode as the person, 14 percent.
- 17 3. If the person has 3 or more qualifying children who have the same principal
- 18 place of abode as the person, 34 percent.

19

(END)



(at)

73.03(73)(f)1.

1. Subject to subd. 2., for taxable years beginning after December 31, 2020, the department shall make the pilot program described under par. (b) permanent and applicable to all eligible claimants of the earned income tax credit under s. 71.07 (9e) (aj), based on the specifications described under pars. (b) and (c) 2.

(END)

Shovers, Marc

From: Quinn, Brian D - DOA
Sent: Saturday, February 16, 2019 7:02 PM
To: Shovers, Marc
Subject: EITC Expansion - 1192/P1

Marc,

On this one, move the effective date to begin with tax year 2019.

Thanks.

-Brian Q.



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-1192/P1
MES:ejjs

P 2
stay
MR

DOA:.....Quinn, BB0161 - Increase the earned income tax credit

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

1. Increase the earned income tax credit

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

TAXATION

INCOME TAXATION

Under this bill, for taxable years beginning after ~~2010~~ 2018, an individual who is eligible to claim the federal earned income tax credit may claim as a credit against Wisconsin taxes due 11 percent of the amount that the claimant may claim under the federal credit if the claimant has one qualifying child with the same principal place of abode, 14 percent if the claimant has two such qualifying children, and 34 percent if the claimant has three or more such qualifying children. Currently, the percentage of the federal credit that an individual may claim for Wisconsin purposes is 4 if the claimant has one qualifying child with the same principal place of abode, 11 if the claimant has two such qualifying children, and 34 if the claimant has three or more such qualifying children. The credit is refundable, which means that, if the amount of credit due the claimant exceeds his or her 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:



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-1192/P2
MES:cjs

DOA:.....Quinn, BB0161 - Increase the earned income tax credit

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

1 **AN ACT ...; relating to:** the budget.

Analysis by the Legislative Reference Bureau

TAXATION

INCOME TAXATION

1. Increase the earned income tax credit

Under this bill, for taxable years beginning after 2018, an individual who is eligible to claim the federal earned income tax credit may claim as a credit against Wisconsin taxes due 11 percent of the amount that the claimant may claim under the federal credit if the claimant has one qualifying child with the same principal place of abode, 14 percent if the claimant has two such qualifying children, and 34 percent if the claimant has three or more such qualifying children. Currently, the percentage of the federal credit that an individual may claim for Wisconsin purposes is 4 if the claimant has one qualifying child with the same principal place of abode, 11 if the claimant has two such qualifying children, and 34 if the claimant has three or more such qualifying children. The credit is refundable, which means that, if the amount of credit due the claimant exceeds his or her 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:

1 **SECTION 1.** 71.07 (9e) (aj) (intro.) of the statutes is amended to read:

2 71.07 **(9e)** (aj) (intro.) For taxable years beginning after December 31, 2010,
3 and before January 1, 2019, an individual may credit against the tax imposed under
4 s. 71.02 an amount equal to one of the following percentages of the federal basic
5 earned income credit for which the person is eligible for the taxable year under
6 section 32 (b) (1) (A) to (C) of the Internal Revenue Code:

7 **SECTION 2.** 71.07 (9e) (ak) of the statutes is created to read:

8 71.07 **(9e)** (ak) For taxable years beginning after December 31, 2018, an
9 individual may credit against the tax imposed under s. 71.02 an amount equal to one
10 of the following percentages of the federal basic earned income credit for which the
11 individual is eligible for the taxable year under section 32 (b) (1) of the Internal
12 Revenue Code:

13 1. If the individual has one qualifying child who has the same principal place
14 of abode as the individual, 11 percent.

15 2. If the individual has 2 qualifying children who have the same principal place
16 of abode as the individual, 14 percent.

17 3. If the individual has 3 or more qualifying children who have the same
18 principal place of abode as the individual, 34 percent.

19 **SECTION 3.** 73.03 (73) (f) 1. of the statutes is amended to read:

20 73.03 **(73)** (f) 1. Subject to subd. 2., for taxable years beginning after December
21 31, 2020, the department shall make the pilot program described under par. (b)
22 permanent and applicable to all eligible claimants of the earned income tax credit
23 under s. 71.07 (9e) ~~(aj)~~ (ak), based on the specifications described under pars. (b) and
24 (c) 2.

25

(END)