

2019 DRAFTING REQUEST

Bill

For: **Administration-Budget 6-3420** Drafter: **mshovers**
 By: **Dombrowski** Secondary Drafters:
 Date: **1/28/2019** 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:.....Dombrowski, BB0231 -

Topic:

Exempt from income taxation interest on certain WHEFA bonds

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P1	mshovers 1/28/2019	kfollett 1/29/2019	lparisi 1/29/2019		State S&L Tax Exempt

FE Sent For: **<END>**

Shovers, Marc

From: Hanaman, Cathlene
Sent: Monday, January 28, 2019 9:10 AM
To: Lunder, Erika; Shovers, Marc; Kreye, Joseph
Subject: FW: Statutory Language Drafting Request - 2019-21

From: Dombrowski, Cynthia A - DOA <Cynthia.Dombrowski@wisconsin.gov>
Sent: Saturday, January 26, 2019 12:30 PM
To: Hanaman, Cathlene <Cathlene.Hanaman@legis.wisconsin.gov>
Cc: Dombrowski, Cynthia A - DOA <Cynthia.Dombrowski@wisconsin.gov>; Dombrowski, Cynthia A - DOA <Cynthia.Dombrowski@wisconsin.gov>
Subject: Statutory Language Drafting Request - 2019-21

Biennial Budget: 2019-21

Topic: WHEFA Tax Exemption

Tracking Code: BB0228

SBO Team: HSI

SBO Analyst: Dombrowski, Cynthia A - DOA
Phone: (608) 266-3420
E-mail: Cynthia.Dombrowski@Wisconsin.gov

Agency Acronym: 440

Agency Number: 440

Priority: High

Intent:

Create a state tax exemption for any bonds issued by WHEFA in an amount totaling \$35 million or less.

Attachments: False

Please send completed drafts to SBOStatlanguage@spmail.enterprise.wistate.us

~~1683~~
-1683



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-1683/P1
MES: *sf*

DOA:.....Dombrowski, BB0231 - Exempt from income taxation interest on certain WHEFA bonds

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

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

Analysis by the Legislative Reference Bureau

TAXATION

INCOME TAXATION

This bill exempts from individual income and corporate income and franchise taxation interest earned on bonds or notes issued by WHEFA, provided that the bond or notes are issued in an amount totaling \$35 million or less, and to the extent that the interest income is not otherwise exempt from taxation. *2,000,000*

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the *state and local* 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:

2 **SECTION 1.** 71.05 (1) (c) 14. of the statutes is created to read:

3 71.05 (1) (c) 14. The Wisconsin Health and Educational Facilities Authority *2,000,000*

4 under s. 231.03 (6), if the bonds or notes are issued in an amount totaling \$35 million

1 or less, and to the extent that the interest income received is not otherwise exempt
2 under this subsection.

3 **SECTION 2.** 71.26 (1m) (o) of the statutes is created to read:

4 71.26 (1m) (o) Those issued by the Wisconsin Health and Educational Facilities
5 Authority under s. 231.03 (6), if the bonds or notes are issued in an amount totaling
6 \$35 million or less, and to the extent that the interest income received is not
7 otherwise exempt under this subsection.

8 **SECTION 3.** 71.45 (1t) (n) of the statutes is created to read:

9 71.45 (1t) (n) Those issued by the Wisconsin Health and Educational Facilities
10 Authority under s. 231.03 (6), if the bonds or notes are issued in an amount totaling
11 \$35 million or less, and to the extent that the interest income received is not
12 otherwise exempt under this subsection.

13 **SECTION 9337. Initial applicability; Revenue.**

14 (1) WHEFA BONDS, TAX EXEMPTION. The treatment of ss. 71.05 (1) (c) 14., 71.26
15 (1m) (o) and 71.45 (1t) (n) first applies to taxable years beginning on January 1 of the
16 year in which this subsection takes effect, except that if this subsection takes effect
17 after July 31 the treatment of ss. 71.05 (1) (c) 14., 71.26 (1m) (o) and 71.45 (1t) (n) first
18 applies to taxable years beginning on January 1 of the year following the year in
19 which this subsection takes effect.

20 (END)



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-1683/P1

MES:kjf

DOA:.....Dombrowski, BB0231 - Exempt from income taxation interest on certain WHEFA bonds

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

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

Analysis by the Legislative Reference Bureau

TAXATION

INCOME TAXATION

This bill exempts from individual income and corporate income and franchise taxation interest earned on bonds or notes issued by WHEFA, provided that the bond or notes are issued in an amount totaling \$35,000,000 or less, and to the extent that the interest income is not otherwise exempt from taxation.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the *state and local* 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:

2 **SECTION 1.** 71.05 (1) (c) 14. of the statutes is created to read:

3 71.05 (1) (c) 14. The Wisconsin Health and Educational Facilities Authority

4 under s. 231.03 (6), if the bonds or notes are issued in an amount totaling \$35,000,000

1 or less, and to the extent that the interest income received is not otherwise exempt
2 under this subsection.

3 **SECTION 2.** 71.26 (1m) (o) of the statutes is created to read:

4 71.26 (1m) (o) Those issued by the Wisconsin Health and Educational Facilities
5 Authority under s. 231.03 (6), if the bonds or notes are issued in an amount totaling
6 \$35,000,000 or less, and to the extent that the interest income received is not
7 otherwise exempt under this subsection.

8 **SECTION 3.** 71.45 (1t) (n) of the statutes is created to read:

9 71.45 (1t) (n) Those issued by the Wisconsin Health and Educational Facilities
10 Authority under s. 231.03 (6), if the bonds or notes are issued in an amount totaling
11 \$35,000,000 or less, and to the extent that the interest income received is not
12 otherwise exempt under this subsection.

13 **SECTION 9337. Initial applicability; Revenue.**

14 (1) WHEFA BONDS, TAX EXEMPTION. The treatment of ss. 71.05 (1) (c) 14., 71.26
15 (1m) (o), and 71.45 (1t) (n) first applies to taxable years beginning on January 1 of
16 the year in which this subsection takes effect, except that if this subsection takes
17 effect after July 31 the treatment of ss. 71.05 (1) (c) 14., 71.26 (1m) (o), and 71.45 (1t)
18 (n) first applies to taxable years beginning on January 1 of the year following the year
19 in which this subsection takes effect.

20 (END)