2019 SENATE BILL 287


1 AN ACT to amend 71.10 (4) (i); and to create 20.835 (2) (er), 20.835 (2) (es), 20.835 (2) (et), 71.07 (8m), 71.07 (8n) and 71.07 (8o) of the statutes; relating to: creating three refundable tax credits for volunteer emergency responders and making an appropriation.

Analysis by the Legislative Reference Bureau

This bill creates three refundable tax credits for volunteer fire fighters, emergency medical responders, emergency medical services practitioners, and ambulance drivers (responders).

The first credit is equal to $300 for responders who have served for at least one year, but not more than five years, and $600 for responders who have served for more than five years. An individual is eligible to claim the credit if the individual is in good standing with the department for which he or she serves and either has completed 40 hours of service at the department’s station or at the scene of an emergency or has participated in at least 50 percent of the calls or incidents that his or her station has responded to, not including calls or incidents outside of the department’s jurisdiction. An individual who holds more than one emergency responder position in the same department may combine the hours served in those positions when determining whether the 40-hour threshold is met.

The second credit is equal to $20 for each hour, up to 25 hours, that a responder is engaged in education or training. An individual is eligible to claim the credit if the individual meets the criteria to claim the first credit.
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The third credit is equal to the sum of the responder’s unreimbursed mileage for using a personal vehicle to attend training and his or her unreimbursed expenses, not to exceed $200, for purchasing department-approved gear and equipment. The maximum amount that may be claimed for the credit is $400. In order to claim the credit, the individual must be in good standing with the department for which he or she serves.

An individual may claim only one credit under each provision in a taxable year, regardless of the number of positions the individual holds that makes the individual eligible to claim the credits.

Because the credits are refundable, if an individual is eligible to claim an amount as a credit that exceeds his or her income tax liability, the individual receives the excess as a refund.

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. 20.835 (2) (er) of the statutes is created to read:

20.835 (2) (er) Emergency responder service credit. A sum sufficient to make the payments under s. 71.07 (8m).

SECTION 2. 20.835 (2) (es) of the statutes is created to read:

20.835 (2) (es) Emergency responder education and training credit. A sum sufficient to make the payments under s. 71.07 (8n).

SECTION 3. 20.835 (2) (et) of the statutes is created to read:

20.835 (2) (et) Emergency responder mileage and equipment credit. A sum sufficient to make the payments under s. 71.07 (8o).

SECTION 4. 71.07 (8m) of the statutes is created to read:

71.07 (8m) Emergency responder service credit. (a) Definitions. In this subsection:

1. “Claimant” means an emergency responder who files a claim under this subsection.
2. “Emergency responder” means an individual who serves in this state as a
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volunteer emergency medical responder, as defined under s. 256.01 (4p); a volunteer
emergency medical responder certified under s. 256.15 (8) (a); a volunteer fire
fighter; a volunteer emergency medical services practitioner, as defined in s. 256.01
(5); or a volunteer ambulance driver.

3. “Qualifying service” means service provided by the claimant as an
emergency responder at a station of the department for which he or she serves or at
the scene of a call or incident to which the department has responded.

(b) **Filing claims.** Subject to the limitations provided in this subsection, for
taxable years beginning after December 31, 2018, a claimant may claim as a credit
against the tax imposed under s. 71.02 an amount equal to either $300, if the
claimant has served as an emergency responder for at least one year, but not more
than 5 years, or $600, if the claimant has served as an emergency responder for more
than 5 years.

(c) **Limitations.** 1. No claimant may claim the credit under this subsection
unless the claimant is in good standing with the department for which he or she
serves and either has completed 40 hours of qualifying service for the department in
the year to which the claim relates or has participated in at least 50 percent of the
calls or incidents to which his or her station within the department has responded
in the year to which the claim relates, not including calls or incidents outside of the
department’s jurisdiction. A claimant who holds more than one emergency
responder position in the same department may include the time spent providing
qualifying service in each position when determining whether the 40-hour threshold
is met. A claimant shall provide certification from the department for which he or
she serves to the department of revenue, on a form prescribed by the department of
revenue, that the claimant has complied with the requirements of this subdivision and shall submit the certification with the claimant’s return.

2. No credit may be claimed under this subsection by a part-year resident or a nonresident of this state.

3. No credit may be allowed under this subsection unless it is claimed within the period specified in s. 71.75 (2).

4. No credit may be allowed under this subsection for a taxable year covering a period of less than 12 months, except for a taxable year closed by reason of the death of the taxpayer.

5. For any taxable year the claimant is eligible to claim the credits under this subsection and sub. (8n) or (8o), or both, the claimant may claim one credit under each subsection for that taxable year and may claim only one credit under each subsection regardless of the number of positions the claimant holds that makes the claimant eligible to claim the credits.

(d) Administration. 1. Subsection (9e) (d), to the extent that it applies to the credit under that subsection, applies to the credit under this subsection.

2. If the allowable amount of the claim under par. (b) exceeds the tax otherwise due under s. 71.02, the amount of the claim not used to offset the tax due shall be certified by the department of revenue to the department of administration for payment by check, share draft, or other draft drawn from the appropriation account under s. 20.835 (2) (er).

SECTION 5. 71.07 (8n) of the statutes is created to read:

71.07 (8n) EMERGENCY RESPONDER EDUCATION AND TRAINING CREDIT. (a) Definitions. In this subsection:
1. “Claimant” means an emergency responder who is eligible to claim the credit under sub. (8m), regardless of whether a claim is filed under that subsection, and who files a claim under this subsection.

2. “Course-work time” means the number of hours spent in a class or in training exercises, either in person or online, by an emergency responder if the course maintains or improves skills required by the individual to continue serving as an emergency responder or is necessary for the individual to obtain or maintain certification to continue serving as an emergency responder.

3. “Emergency responder” has the meaning given in sub. (8m) (a) 2.

(b) Filing claims. Subject to the limitations provided in this subsection, for taxable years beginning after December 31, 2018, a claimant may claim as a credit against the tax imposed under s. 71.02 an amount equal to $20 for each hour of course-work time, up to 25 hours, that the claimant spends participating in such activities in the taxable year to which the claim relates.

(c) Limitations. 1. The maximum credit that a claimant may claim each year under this subsection is $500. A claimant shall provide certification from the department for which he or she serves to the department of revenue, on a form prescribed by the department of revenue, of the hours of course-work time as described under par. (b) and that the claimant has complied with the requirements of sub. (8m) (c) 1., and shall submit the certification with the claimant’s return.

2. No credit may be claimed under this subsection by a part-year resident or a nonresident of this state.

3. No credit may be allowed under this subsection unless it is claimed within the period specified in s. 71.75 (2).
4. No credit may be allowed under this subsection for a taxable year covering a period of less than 12 months, except for a taxable year closed by reason of the death of the taxpayer.

5. For any taxable year the claimant is eligible to claim the credits under this subsection and sub. (8m) or (8o), or both, the claimant may claim one credit under each subsection for that taxable year and may claim only one credit under each subsection regardless of the number of positions the claimant holds that makes the claimant eligible to claim the credits.

(d) Administration. 1. Subsection (9e) (d), to the extent that it applies to the credit under that subsection, applies to the credit under this subsection.

2. If the allowable amount of the claim under par. (b) exceeds the tax otherwise due under s. 71.02, the amount of the claim not used to offset the tax due shall be certified by the department of revenue to the department of administration for payment by check, share draft, or other draft drawn from the appropriation account under s. 20.835 (2) (es).

SECTION 6. 71.07 (8o) of the statutes is created to read:

71.07 (8o) EMERGENCY RESPONDER MILEAGE AND EQUIPMENT CREDIT. (a) Definitions. In this subsection:

1. “Claimant” means an emergency responder who files a claim under this subsection.

2. “Emergency responder” has the meaning given in sub. (8m) (a) 2.

3. “Expenses” means unreimbursed expenses, not to exceed $200, incurred by the claimant for gear and equipment, in the year to which the claim relates, that are primarily for his or her use while serving as an emergency responder.
4. “Mileage” means the number of unreimbursed miles traveled by a claimant in his or her personal vehicle to attend training related to service as an emergency responder, multiplied by the mileage rate.

5. “Mileage rate” means the standard mileage reimbursement rate for business, set by the Internal Revenue Service, that applies under federal law for the taxable year to which the claim relates.

(b) **Filing claims.** Subject to the limitations provided in this subsection, for taxable years beginning after December 31, 2018, a claimant may claim as a credit against the tax imposed under s. 71.02 an amount equal to the sum of the claimant’s mileage for the taxable year for which the claim is made and expenses incurred in that year.

(c) **Limitations.** 1. The maximum credit that a claimant may claim each year under this subsection is $400.

2. No claimant may claim the credit under this subsection unless the claimant is in good standing with the department for which he or she serves.

3. No claimant may claim the credit under this subsection unless the individual in charge of the department for which the claimant serves approves the expenses and mileage for which the claim is made.

4. No claimant may claim the credit under this subsection unless the claimant provides, on a form prescribed by the department of revenue, certification from the department for which he or she serves of the claimant’s compliance with subd. 2 and of the approval under subd. 3. The claimant shall submit the certification with the claimant’s return.

5. No credit may be claimed under this subsection by a part-year resident or a nonresident of this state.
6. No credit may be allowed under this subsection unless it is claimed within the period specified in s. 71.75 (2).

7. No credit may be allowed under this subsection for a taxable year covering a period of less than 12 months, except for a taxable year closed by reason of the death of the taxpayer.

8. For any taxable year the claimant is eligible to claim the credits under this subsection and sub. (8m) or (8n), or both, the claimant may claim only one credit under each subsection for that taxable year and may claim only one credit under each subsection regardless of the number of positions the claimant holds that makes the claimant eligible to claim the credits.

9. No credit may be allowed under this subsection for unreimbursed mileage expenses used to compute and claim the credit under sub. (5).

(d) Administration. 1. Subsection (9e) (d), to the extent that it applies to the credit under that subsection, applies to the credit under this subsection.

2. If the allowable amount of the claim under par. (b) exceeds the tax otherwise due under s. 71.02, the amount of the claim not used to offset the tax due shall be certified by the department of revenue to the department of administration for payment by check, share draft, or other draft drawn from the appropriation account under s. 20.835 (2) (et).

SECTION 7. 71.10 (4) (i) of the statutes is amended to read:

71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland preservation credit under ss. 71.57 to 71.61, farmland preservation credit, 2010 and beyond under s. 71.613, homestead credit under subch. VIII, farmland tax relief credit under s. 71.07 (3m), dairy manufacturing facility investment credit under s. 71.07 (3p), jobs tax credit under s. 71.07 (3q), meat processing facility investment
credit under s. 71.07 (3r), woody biomass harvesting and processing credit under s. 71.07 (3rm), food processing plant and food warehouse investment credit under s. 71.07 (3rn), business development credit under s. 71.07 (3y), research credit under s. 71.07 (4k) (e) 2. a., film production services credit under s. 71.07 (5f), film production company investment credit under s. 71.07 (5h), veterans and surviving spouses property tax credit under s. 71.07 (6e), enterprise zone jobs credit under s. 71.07 (3w), electronics and information technology manufacturing zone credit under s. 71.07 (3wm), emergency responder service credit under s. 71.07 (8m), emergency responder education and training credit under s. 71.07 (8n), emergency responder mileage and equipment credit under s. 71.07 (8o), beginning farmer and farm asset owner tax credit under s. 71.07 (8r), earned income tax credit under s. 71.07 (9e), estimated tax payments under s. 71.09, and taxes withheld under subch. X.