



**ASSEMBLY AMENDMENT 35,
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2001 SENATE BILL 55**

June 29, 2001 - Offered by Representative WASSERMAN.

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 729, line 19: after that line insert:

3 “**SECTION 2144m.** 71.06 (1p) (intro.) of the statutes is amended to read:

4 71.06 (1p) FIDUCIARIES, SINGLE INDIVIDUALS, AND HEADS OF HOUSEHOLDS; AFTER
5 ~~2000~~ 2001. (intro.) The tax to be assessed, levied and collected upon the taxable
6 incomes of all fiduciaries, except fiduciaries of nuclear decommissioning trust or
7 reserve funds, and single individuals and heads of households shall be computed at
8 the following rates for taxable years beginning after December 31, 2000, and before
9 January 1, 2002:

10 **SECTION 2144n.** 71.06 (1q) of the statutes is created to read:

11 71.06 (1q) FIDUCIARIES, SINGLE INDIVIDUALS, AND HEADS OF HOUSEHOLDS; AFTER
12 2001. The tax to be assessed, levied, and collected upon the taxable incomes of all

1 fiduciaries, except fiduciaries of nuclear decommissioning trust or reserve funds, and
2 single individuals and heads of households shall be computed at the following rates
3 for taxable years beginning after December 31, 2001:

4 (a) On all taxable income from \$0 to \$7,790, 4.73%.

5 (b) On all taxable income exceeding \$7,790 but not exceeding \$50,000, 6.0%.

6 (c) On all taxable income exceeding \$50,000 but not exceeding \$100,000, 6.33%.

7 (d) On all taxable income exceeding \$100,000 but not exceeding \$200,000,
8 6.55%.

9 (e) On all taxable income exceeding \$200,000, 6.75%.

10 **SECTION 2144p.** 71.06 (2) (g) (intro.) of the statutes is amended to read:

11 71.06 (2) (g) (intro.) For joint returns, for taxable years beginning after
12 December 31, 2000, and before January 1, 2002:

13 **SECTION 2144q.** 71.06 (2) (h) (intro.) of the statutes is amended to read:

14 71.06 (2) (h) (intro.) For married persons filing separately, for taxable years
15 beginning after December 31, 2000, and before January 1, 2002:

16 **SECTION 2144r.** 71.06 (2) (i) of the statutes is created to read:

17 71.06 (2) (i) For joint returns, for taxable years beginning after
18 December 31, 2001:

19 1. On all taxable income from \$0 to \$13,000, 4.73%.

20 2. On all taxable income exceeding \$13,000 but not exceeding \$60,000, 6.0%.

21 3. On all taxable income exceeding \$60,000 but not exceeding \$120,000, 6.33%.

22 4. On all taxable income exceeding \$120,000 but not exceeding \$240,000,
23 6.55%.

24 5. On all taxable income exceeding \$240,000, 6.75%.

25 **SECTION 2144s.** 71.06 (2) (j) of the statutes is created to read:

1 71.06 (2) (j) For married persons filing separately, for taxable years beginning
2 after December 31, 2001:

3 1. On all taxable income from \$0 to \$6,500, 4.73%.

4 2. On all taxable income exceeding \$6,500 but not exceeding \$30,000, 6.0%.

5 3. On all taxable income exceeding \$30,000 but not exceeding \$60,000, 6.33%.

6 4. On all taxable income exceeding \$60,000 but not exceeding \$120,000, 6.55%.

7 5. On all taxable income exceeding \$120,000, 6.75%.”.

8 **2.** Page 729, line 25: after “1999,” insert “and before January 1, 2002,”.

9 **3.** Page 730, line 2: after “and (h)” insert “and for taxable years beginning after
10 December 31, 2001, the maximum dollar amount in each tax bracket, and the
11 corresponding minimum dollar amount in the next bracket, under subs. (1q) and (2)
12 (i) and (j),”.

13 **4.** Page 730, line 18: after that line insert:

14 “**SECTION 2145c.** 71.06 (2m) of the statutes is amended to read:

15 71.06 (2m) RATE CHANGES. If a rate under sub. (1), (1m), (1n), (1p) ~~or~~, (1q), or
16 (2) changes during a taxable year, the taxpayer shall compute the tax for that taxable
17 year by the methods applicable to the federal income tax under section 15 of the
18 internal revenue code.

19 **SECTION 2145d.** 71.06 (2s) (d) of the statutes is amended to read:

20 71.06 (2s) (d) For taxable years beginning after December 31, 2000, and before
21 January 1, 2002, with respect to nonresident individuals, including individuals
22 changing their domicile into or from this state, the tax brackets under subs. (1p) and
23 (2) (g) and (h) shall be multiplied by a fraction, the numerator of which is Wisconsin
24 adjusted gross income and the denominator of which is federal adjusted gross

1 income. In this paragraph, for married persons filing separately “adjusted gross
2 income” means the separate adjusted gross income of each spouse, and for married
3 persons filing jointly “adjusted gross income” means the total adjusted gross income
4 of both spouses. If an individual and that individual’s spouse are not both domiciled
5 in this state during the entire taxable year, the tax brackets under subs. (1p) and (2)
6 (g) and (h) on a joint return shall be multiplied by a fraction, the numerator of which
7 is their joint Wisconsin adjusted gross income and the denominator of which is their
8 joint federal adjusted gross income.

9 **SECTION 2145e.** 71.06 (2s) (e) of the statutes is created to read:

10 71.06 (2s) (e) For taxable years beginning after December 31, 2001, with
11 respect to nonresident individuals, including individuals changing their domicile
12 into or from this state, the tax brackets under subs. (1q) and (2) (i) and (j) shall be
13 multiplied by a fraction, the numerator of which is Wisconsin adjusted gross income
14 and the denominator of which is federal adjusted gross income. In this paragraph,
15 for married persons filing separately “adjusted gross income” means the separate
16 adjusted gross income of each spouse, and for married persons filing jointly “adjusted
17 gross income” means the total adjusted gross income of both spouses. If an individual
18 and that individual’s spouse are not both domiciled in this state during the entire
19 taxable year, the tax brackets under subs. (1q) and (2) (i) and (j) on a joint return
20 shall be multiplied by a fraction, the numerator of which is their joint Wisconsin
21 adjusted gross income and the denominator of which is their joint federal adjusted
22 gross income.”.

23 **5.** Page 741, line 2: after that line insert:

24 **“SECTION 2153r.** 71.125 (1) of the statutes is amended to read:

1 71.125 (1) Except as provided in sub. (2), the tax imposed by this chapter on
2 individuals and the rates under s. 71.06 (1), (1m), (1n), (1p) ~~and, (1q), and~~ (2) shall
3 apply to the Wisconsin taxable income of estates or trusts, except nuclear
4 decommissioning trust or reserve funds, and that tax shall be paid by the fiduciary.

5 **SECTION 2153s.** 71.125 (2) of the statutes is amended to read:

6 71.125 (2) Each electing small business trust, as defined in section 1361 (e) (1)
7 of the Internal Revenue Code, is subject to tax at the highest rate under s. 71.06 (1),
8 (1m), (1n) ~~or, (1p), or (1q)~~, whichever taxable year is applicable, on its income as
9 computed under section 641 of the Internal Revenue Code, as modified by s. 71.05
10 (6) to (12), (19) and (20).”.

11 **6.** Page 741, line 19: after that line insert:

12 **“SECTION 2156m.** 71.17 (6) of the statutes is amended to read:

13 71.17 (6) FUNERAL TRUSTS. If a qualified funeral trust makes the election under
14 section 685 of the Internal Revenue Code for federal income tax purposes, that
15 election applies for purposes of this chapter and each trust shall compute its own tax
16 and shall apply the rates under s. 71.06 (1), (1m), (1n) ~~or, (1p), or (1q)~~.”.

17 **7.** Page 831, line 23: after that line insert:

18 **“SECTION 2195m.** 71.64 (9) (b) (intro.) of the statutes is amended to read:

19 71.64 (9) (b) (intro.) The department shall from time to time adjust the
20 withholding tables to reflect any changes in income tax rates, any applicable surtax
21 or any changes in dollar amounts in s. 71.06 (1), (1m), (1n), (1p), ~~(1q)~~, and (2) resulting
22 from statutory changes, except as follows:

23 **SECTION 2195n.** 71.67 (5) (a) of the statutes is amended to read:

