



State of Wisconsin
2025 - 2026 LEGISLATURE

LRBb0735/1
KP/JK/EKL:all

**ASSEMBLY AMENDMENT 19,
TO ASSEMBLY SUBSTITUTE AMENDMENT 2,
TO ASSEMBLY BILL 50**

July 2, 2025 - Offered by Representatives FITZGERALD, ANDERSON, ANDRACA, ARNEY, BARE, BILLINGS, BROWN, CLANCY, CRUZ, DESANTO, DESMIDT, DOYLE, EMERSON, GOODWIN, HAYWOOD, HONG, HYSELL, J. JACOBSON, JOERS, JOHNSON, KIRSCH, MADISON, MAYADEV, MCCARVILLE, MCGUIRE, MIRESE, MOORE OMOKUNDE, NEUBAUER, PALMERI, PHELPS, PRADO, RIVERA-WAGNER, ROE, SHEEHAN, SINICKI, SNODGRASS, SPAUDE, STROUD, STUBBS, SUBECK, TAYLOR, TENORIO, UDELL and VINING.

AUTHORS SUBJECT TO CHANGE

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

2 **1.** At the appropriate places, insert all of the following:

3 “**SECTION 1.** 71.07 (8b) (a) 7. of the statutes is amended to read:

4 71.07 **(8b)** (a) 7. “Qualified development” means a qualified low-income
5 housing project under section 42 (g) of the Internal Revenue Code that is financed
6 with tax-exempt bonds, ~~pursuant to section 42 (i) (2)~~ described in section 42 (h) (4)
7 (A) of the Internal Revenue Code, allocated the credit under section 42 of the
8 Internal Revenue Code, and located in this state; except that the authority may
9 waive, in the qualified allocation plan under section 42 (m) (1) (B) of the Internal
10 Revenue Code, the requirements of tax-exempt bond financing and federal credit
11 allocation to the extent the authority anticipates that sufficient volume cap under

1 section 146 of the Internal Revenue Code will not be available to finance low-income
2 housing projects in any year.

3 **SECTION 2.** 71.28 (8b) (a) 7. of the statutes is amended to read:

4 71.28 **(8b)** (a) 7. “Qualified development” means a qualified low-income
5 housing project under section 42 (g) of the Internal Revenue Code that is financed
6 with tax-exempt bonds, ~~pursuant to section 42 (i) (2)~~ described in section 42 (h) (4)
7 (A) of the Internal Revenue Code, allocated the credit under section 42 of the
8 Internal Revenue Code, and located in this state; except that the authority may
9 waive, in the qualified allocation plan under section 42 (m) (1) (B) of the Internal
10 Revenue Code, the requirements of tax-exempt bond financing and federal credit
11 allocation to the extent the authority anticipates that sufficient volume cap under
12 section 146 of the Internal Revenue Code will not be available to finance low-income
13 housing projects in any year.

14 **SECTION 3.** 71.47 (8b) (a) 7. of the statutes is amended to read:

15 71.47 **(8b)** (a) 7. “Qualified development” means a qualified low-income
16 housing project under section 42 (g) of the Internal Revenue Code that is financed
17 with tax-exempt bonds, ~~pursuant to section 42 (i) (2)~~ described in section 42 (h) (4)
18 (A) of the Internal Revenue Code, allocated the credit under section 42 of the
19 Internal Revenue Code, and located in this state; except that the authority may
20 waive, in the qualified allocation plan under section 42 (m) (1) (B) of the Internal
21 Revenue Code, the requirements of tax-exempt bond financing and federal credit
22 allocation to the extent the authority anticipates that sufficient volume cap under

1 section 146 of the Internal Revenue Code will not be available to finance low-income
2 housing projects in any year.

3 **SECTION 4.** 76.639 (1) (g) of the statutes is amended to read:

4 76.639 (1) (g) “Qualified development” means a qualified low-income housing
5 project under section 42 (g) of the Internal Revenue Code that is financed with tax-
6 exempt bonds, ~~pursuant to section 42 (i) (2)~~ described in section 42 (h) (4) (A) of the
7 Internal Revenue Code, allocated the credit under section 42 of the Internal
8 Revenue Code, and located in this state; except that the authority may waive, in the
9 qualified allocation plan under section 42 (m) (1) (B) of the Internal Revenue Code,
10 the requirements of tax-exempt bond financing and federal credit allocation to the
11 extent the authority anticipates that sufficient volume cap under section 146 of the
12 Internal Revenue Code will not be available to finance low-income housing projects
13 in any year.

14 **SECTION 5.** 234.45 (1) (e) of the statutes is amended to read:

15 234.45 (1) (e) “Qualified development” means a qualified low-income housing
16 project under section 42 (g) of the Internal Revenue Code that is financed with tax-
17 exempt bonds, ~~pursuant to section 42 (i) (2)~~ described in section 42 (h) (4) (A) of the
18 Internal Revenue Code, allocated the credit under section 42 of the Internal
19 Revenue Code, and located in this state; except that the authority may waive, in the
20 qualified allocation plan under section 42 (m) (1) (B) of the Internal Revenue Code,
21 the requirements of tax-exempt bond financing and federal credit allocation to the
22 extent the authority anticipates that sufficient volume cap under section 146 of the

Internal Revenue Code will not be available to finance low-income housing projects in any year.

SECTION 6. 234.45 (4) of the statutes is amended to read:

234.45 (4) ALLOCATION LIMITS. In any calendar year, the aggregate amount of all state tax credits for which the authority certifies persons in allocation certificates issued under sub. (3) in that year may not exceed ~~\$42,000,000~~ \$100,000,000, including all amounts each person is eligible to claim for each year of the credit period, plus the total amount of all unallocated state tax credits from previous calendar years and plus the total amount of all previously allocated state tax credits that have been revoked or cancelled or otherwise recovered by the authority.”.

2. At the appropriate places, insert all of the following:

“**SECTION 7.** 77.54 (30) (a) 2. of the statutes is amended to read:

77.54 (30) (a) 2. Electricity and natural gas sold ~~during the months of November, December, January, February, March and April~~ for residential use.

SECTION 9437. Effective dates; Revenue.

(1) SALES TAX EXEMPTION FOR RESIDENTIAL ELECTRICITY AND NATURAL GAS.

The treatment of s. 77.54 (30) (a) 2. takes effect on the first day of the 3rd month beginning after publication.”.

3. At the appropriate places, insert all of the following:

“**SECTION 8.** 77.51 (9rm) of the statutes is created to read:

77.51 (9rm) “Over-the-counter-drug” means a drug that contains a label that

1 identifies the product as a drug as required by 21 CFR 201.66, including a label that
2 includes any of the following:

3 (a) A drug facts panel.

4 (b) A statement of the active ingredients with a list of those ingredients
5 contained in the compound, substance, or preparation.

6 **SECTION 9.** 77.54 (14) (g) of the statutes is created to read:

7 77.54 (14) (g) Over-the-counter-drugs.

8 **SECTION 9437. Effective dates; Revenue.**

9 (1) OVER-THE-COUNTER DRUGS. The treatment of ss. 77.51 (9rm) and 77.54
10 (14) (g) takes effect on the first day of the 3rd month beginning after publication.”.

11 **4.** At the appropriate places, insert all of the following:

12 “**SECTION 10.** 77.51 (3h) of the statutes is created to read:

13 77.51 (3h) “Diaper” means an absorbent garment worn by humans who are
14 incapable of or have difficulty controlling their bladder or bowel movements.

15 **SECTION 11.** 77.51 (3pq) of the statutes is created to read:

16 77.51 (3pq) “Feminine hygiene products” means tampons, panty liners,
17 menstrual cups, sanitary napkins, and other similar tangible personal property
18 designed for feminine hygiene in connection with the human menstrual cycle.
19 “Feminine hygiene products” do not include grooming and hygiene products.

20 **SECTION 12.** 77.51 (4f) of the statutes is created to read:

21 77.51 (4f) “Grooming and hygiene products” means soaps and cleaning
22 solutions, shampoo, toothpaste, mouthwash, antiperspirants, and suntan lotions
23 and screens.

1 **SECTION 3d.** 77.52 (13) of the statutes is amended to read:

2 **77.52 (13)** For the purpose of the proper administration of this section and to
3 prevent evasion of the sales tax it shall be presumed that all receipts are subject to
4 the tax until the contrary is established. The burden of proving that a sale of
5 tangible personal property, or items, property, or goods under sub. (1) (b), (c), or (d),
6 or services is not a taxable sale at retail is upon the person who makes the sale
7 unless that person takes from the purchaser an electronic or a paper certificate, in
8 a manner prescribed by the department, to the effect that the property, item, good,
9 or service is purchased for resale or is otherwise exempt, except that no certificate is
10 required for the sale of tangible personal property, or items, property, or goods
11 under sub. (1) (b), (c), or (d), or services that are exempt under s. 77.54 (5) (a) 3., (7),
12 (7m), (8), (10), (11), (14), (15), (17), (20n), (21), (22b), (31), (32), (35), (36), (37), (42),
13 (44), (45), (46), (51), (52), (64), (66), (67), (71), ~~and (72)~~, and (78).

14 **SECTION 3m.** 77.53 (10) of the statutes is amended to read:

15 **77.53 (10)** For the purpose of the proper administration of this section and to
16 prevent evasion of the use tax and the duty to collect the use tax, it is presumed
17 that tangible personal property, or items, property, or goods under s. 77.52 (1) (b),
18 (c), or (d), or taxable services sold by any person for delivery in this state is sold for
19 storage, use, or other consumption in this state until the contrary is established.
20 The burden of proving the contrary is upon the person who makes the sale unless
21 that person takes from the purchaser an electronic or paper certificate, in a manner
22 prescribed by the department, to the effect that the property, or items, property, or
23 goods under s. 77.52 (1) (b), (c), or (d), or taxable service is purchased for resale, or
24 otherwise exempt from the tax, except that no certificate is required for the sale of

1 tangible personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or
2 (d), or services that are exempt under s. 77.54 (7), (7m), (8), (10), (11), (14), (15), (17),
3 (20n), (21), (22b), (31), (32), (35), (36), (37), (42), (44), (45), (46), (51), (52), (64), (66),
4 (67), (71), ~~and (72)~~, and (78).

5 **SECTION 13.** 77.54 (78) of the statutes is created to read:

6 77.54 (78) The sales price from the sale of and the storage, use, or other
7 consumption of diapers and feminine hygiene products.

8 **SECTION 9437. Effective dates; Revenue.**

9 (1) DIAPERS AND FEMININE HYGIENE PRODUCTS. The treatment of ss. 77.51
10 (3h), (3pq), and (4f), 77.52 (13), 77.53 (10), and 77.54 (78) takes effect on the first
11 day of the 3rd month beginning after publication.”.

12 **5.** At the appropriate places, insert all of the following:

13 “**SECTION 14.** 77.54 (56) (a) of the statutes is repealed.

14 **SECTION 15.** 77.54 (56) (ad) of the statutes is created to read:

15 77.54 (56) (ad) 1. The sales price from the sale of and the storage, use, or other
16 consumption of a solar power system or wind energy system that produces usable
17 electrical or heat energy directly from the sun or wind, if the system is capable of
18 continuously producing at least 200 watts of alternating current or 600 British
19 thermal units. A solar power system or wind energy system described under this
20 subdivision includes tangible personal property sold with the system that is used
21 primarily to store or facilitate the storage of the electrical or heat energy produced
22 by the system, but does not include an uninterruptible power source that is
23 designed primarily for computers. The exemption under this subdivision does not

1 apply to tangible personal property designed for any use other than for a solar
2 power system or wind energy system described in this subdivision.

3 2. The sales price from the sale of and the storage, use, or other consumption
4 of a waste energy system that produces usable electrical or heat energy directly
5 from gas generated from anaerobic digestion of animal manure and other
6 agricultural waste if the system is capable of continuously producing at least 200
7 watts of alternating current or 600 British thermal units. A system described
8 under this subdivision includes tangible personal property sold with the system
9 that is used primarily to store or facilitate the storage of the electrical or heat
10 energy produced by the system, but does not include an uninterruptible power
11 source that is designed primarily for computers. The exemption under this
12 subdivision does not apply to tangible personal property designed for any use other
13 than for a waste energy system described in this subdivision.

14 **SECTION 16.** 77.54 (56) (b) of the statutes is amended to read:

15 77.54 **(56)** (b) Except for the sale of electricity or energy that is exempt from
16 taxation under sub. (30), ~~beginning on July 1, 2011,~~ the sales price from the sale of
17 and the storage, use, or other consumption of electricity or heat energy produced by
18 a ~~product~~ system described under par. ~~(a)~~ (ad).

19 **SECTION 9437. Effective dates; Revenue.**

20 (1) ENERGY SYSTEMS. The treatment of s. 77.54 (56) (a), (ad), and (b) takes
21 effect on the first day of the 3rd month beginning after publication.”.

22 **6.** At the appropriate places, insert all of the following:

23 **“SECTION 17.** 77.52 (13) of the statutes is amended to read:

1 77.52 (13) For the purpose of the proper administration of this section and to
2 prevent evasion of the sales tax it shall be presumed that all receipts are subject to
3 the tax until the contrary is established. The burden of proving that a sale of
4 tangible personal property, or items, property, or goods under sub. (1) (b), (c), or (d),
5 or services is not a taxable sale at retail is upon the person who makes the sale
6 unless that person takes from the purchaser an electronic or a paper certificate, in
7 a manner prescribed by the department, to the effect that the property, item, good,
8 or service is purchased for resale or is otherwise exempt, except that no certificate is
9 required for the sale of tangible personal property, or items, property, or goods
10 under sub. (1) (b), (c), or (d), or services that are exempt under s. 77.54 (5) (a) 3., (7),
11 (7m), (8), (10), (11), (14), (15), (17), (20n), (21), (22b), (31), (32), (35), (36), (37), (42),
12 (44), (45), (46), (51), (52), (64), (66), (67), (71), ~~and (72), and (77).~~

13 **SECTION 18.** 77.53 (10) of the statutes is amended to read:

14 77.53 (10) For the purpose of the proper administration of this section and to
15 prevent evasion of the use tax and the duty to collect the use tax, it is presumed
16 that tangible personal property, or items, property, or goods under s. 77.52 (1) (b),
17 (c), or (d), or taxable services sold by any person for delivery in this state is sold for
18 storage, use, or other consumption in this state until the contrary is established.
19 The burden of proving the contrary is upon the person who makes the sale unless
20 that person takes from the purchaser an electronic or paper certificate, in a manner
21 prescribed by the department, to the effect that the property, or items, property, or
22 goods under s. 77.52 (1) (b), (c), or (d), or taxable service is purchased for resale, or
23 otherwise exempt from the tax, except that no certificate is required for the sale of
24 tangible personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or

(d), or services that are exempt under s. 77.54 (7), (7m), (8), (10), (11), (14), (15), (17), (20n), (21), (22b), (31), (32), (35), (36), (37), (42), (44), (45), (46), (51), (52), (64), (66), (67), (71), ~~and~~ (72), and (77).

SECTION 19. 77.54 (77) of the statutes is created to read:

77.54 (77) The sales price from the sale of and the storage, use, or other consumption of breast pumps, breast pump kits, and breast pump storage and collection supplies.

SECTION 9437. Effective dates; Revenue.

(1) BREASTFEEDING EQUIPMENT. The treatment of ss. 77.52 (13), 77.53 (10), and 77.54 (77) takes effect on the first day of the 3rd month beginning after publication.”.

7. At the appropriate places, insert all of the following:

“SECTION 1. 77.52 (13) of the statutes is amended to read:

77.52 (13) For the purpose of the proper administration of this section and to prevent evasion of the sales tax it shall be presumed that all receipts are subject to the tax until the contrary is established. The burden of proving that a sale of tangible personal property, or items, property, or goods under sub. (1) (b), (c), or (d), or services is not a taxable sale at retail is upon the person who makes the sale unless that person takes from the purchaser an electronic or a paper certificate, in a manner prescribed by the department, to the effect that the property, item, good, or service is purchased for resale or is otherwise exempt, except that no certificate is required for the sale of tangible personal property, or items, property, or goods under sub. (1) (b), (c), or (d), or services that are exempt under s. 77.54 (5) (a) 3., (7),

1 (7m), (8), (10), (11), (14), (15), (17), (20n), (21), (22b), (31), (32), (35), (36), (37), (42),
2 (44), (45), (46), (51), (52), (64), (66), (67), (71), ~~and~~ (72), and (76).

3 **SECTION 2.** 77.53 (10) of the statutes is amended to read:

4 77.53 (10) For the purpose of the proper administration of this section and to
5 prevent evasion of the use tax and the duty to collect the use tax, it is presumed
6 that tangible personal property, or items, property, or goods under s. 77.52 (1) (b),
7 (c), or (d), or taxable services sold by any person for delivery in this state is sold for
8 storage, use, or other consumption in this state until the contrary is established.
9 The burden of proving the contrary is upon the person who makes the sale unless
10 that person takes from the purchaser an electronic or paper certificate, in a manner
11 prescribed by the department, to the effect that the property, or items, property, or
12 goods under s. 77.52 (1) (b), (c), or (d), or taxable service is purchased for resale, or
13 otherwise exempt from the tax, except that no certificate is required for the sale of
14 tangible personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or
15 (d), or services that are exempt under s. 77.54 (7), (7m), (8), (10), (11), (14), (15), (17),
16 (20n), (21), (22b), (31), (32), (35), (36), (37), (42), (44), (45), (46), (51), (52), (64), (66),
17 (67), (71), ~~and~~ (72), and (76).

18 **SECTION 3.** 77.54 (76) of the statutes is created to read:

19 77.54 (76) (a) The sales price from the sale of and the storage, use, or other
20 consumption of gun safes that are specifically designed for the storage of guns, but
21 not other items used for gun storage, such as locking gun cabinets and racks.

22 (b) The sales price from the sale of and the storage, use, or other consumption
23 of trigger locks and gun barrel locks.

24 **SECTION 9437. Effective dates; Revenue.**

(1) GUN SAFES, TRIGGER LOCKS, AND BARREL LOCKS. The treatment of ss. 77.52 (13), 77.53 (10), and 77.54 (76) takes effect on the first day of the 3rd month beginning after publication.”.

8. At the appropriate places, insert all of the following:

“SECTION 20. 77.51 (11d) of the statutes is amended to read:

77.51 **(11d)** For purposes of subs. (1ag), (1f), (3pf), (7j), ~~and (9p)~~, and (17g) and ss. 77.52 (20) and (21), 77.522, 77.54 (9g), (51), (52), and (60), and 77.59 (5r), “product” includes tangible personal property, and items, property, and goods under s. 77.52 (1) (b), (c), and (d), and services.

SECTION 21. 77.51 (17g) of the statutes is created to read:

77.51 **(17g)** “Separate and optional fee” means a fee charged to receive a distinct and identifiable product if either of the following applies:

(a) The fee is in addition to fees that the seller charges for other distinct and identifiable products sold to the same buyer, the fee is separately set forth on the invoice given by the seller to the buyer, and the seller does not require the buyer to pay the fee if the buyer chooses not to receive the additional distinct and identifiable product for which the fee applies.

(b) The seller charges a single amount for multiple distinct and identifiable products and offers the buyer the option of paying a lower amount if the buyer chooses not to receive one or more of the distinct and identifiable products. For purposes of this paragraph, the separate and optional fee is the single amount the seller charges for the multiple distinct and identifiable products less the reduced

1 amount the seller charges to the buyer because the buyer chooses not to receive one
2 or more of the products.

3 **SECTION 22.** 77.52 (2) (a) 20. of the statutes is amended to read:

4 77.52 (2) (a) 20. The sale of landscaping and lawn maintenance services
5 including landscape planning and counseling, lawn and garden services such as
6 planting, mowing, spraying and fertilizing, and shrub and tree services. For
7 purposes of this subdivision, landscaping and lawn maintenance services do not
8 include planning and counseling services for the restoration, reclamation, or
9 revitalization of prairie, savanna, or wetlands to improve biodiversity, the quality of
10 land, soils, or water, or other ecosystem functions if the planning and counseling
11 services are provided for a separate and optional fee from any other services.

12 **SECTION 23.** 77.52 (2m) (a) of the statutes is amended to read:

13 77.52 (2m) (a) With respect to the services subject to tax under sub. (2), no
14 part of the charge for the service may be deemed a sale or rental of tangible
15 personal property or items, property, or goods under sub. (1) (b), (c), or (d) if the
16 property, items, or goods transferred by the service provider are incidental to the
17 selling, performing or furnishing of the service, except as provided in ~~par.~~ pars. (b)
18 and (c).

19 **SECTION 24.** 77.52 (2m) (c) of the statutes is created to read:

20 77.52 (2m) (c) With respect to services subject to tax under sub. (2) (a) 7., 10.,
21 11., and 20. that are provided for a separate and optional fee from the planning and
22 counseling services described under sub. (2) (a) 20., all tangible personal property
23 or items, property, or goods under sub. (1) (b), (c), or (d) physically transferred, or

transferred electronically, to the customer in conjunction with the provision of the services subject to tax under sub. (2) (a) 7., 10., 11., and 20. is a sale of tangible personal property or items, property, or goods separate from the selling, performing, or furnishing of the services.

SECTION 9437. Effective dates; Revenue.

(1) PRAIRIE AND WETLAND COUNSELING SERVICES. The treatment of ss. 77.51 (11d) and (17g) and 77.52 (2) (a) 20. and (2m) (a) and (c) takes effect on the first day of the 3rd month beginning after publication.”.

9. At the appropriate places, insert all of the following:

“**SECTION 25.** 139.44 (4) of the statutes is amended to read:

139.44 (4) Any person who refuses to permit the examination or inspection authorized in s. 139.39 (2) or 139.83 (1) may be fined not more than \$500 or imprisoned not more than 90 days or both. Such refusal shall be cause for immediate suspension or revocation of permit by the secretary.

SECTION 26. 139.75 (4t) of the statutes is created to read:

139.75 (4t) “Little cigar” means a cigar that has an integrated cellulose acetate filter and is wrapped in a substance containing tobacco.

SECTION 27. 139.75 (12) of the statutes is amended to read:

139.75 (12) “Tobacco products” means cigars; little cigars; pipe tobacco; cheroots; stogies; periques; granulated, plug cut, crimp cut, ready-rubbed and other smoking tobacco; snuff, including moist snuff; snuff flour; cavendish; plug and twist tobacco; fine cut and other chewing tobaccos; shorts; refuse scraps, clippings, cuttings and sweepings of tobacco and other kinds and forms of tobacco prepared in

1 such manner as to be suitable for chewing or smoking in a pipe or otherwise, or both
2 for chewing and smoking; but “tobacco products” does not include cigarettes, as
3 defined under s. 139.30 (1m).

4 **SECTION 28.** 139.76 (1) of the statutes is amended to read:

5 139.76 (1) Except as provided in ~~sub.~~ subs. (1p) and (1t), an excise tax is
6 imposed upon the sale, offering or exposing for sale, possession with intent to sell or
7 removal for consumption or sale or other disposition for any purpose of tobacco
8 products by any person engaged as a distributor of them at the rate, for tobacco
9 products, not including moist snuff, ~~vapor products~~, cigars, little cigars, and pipe
10 tobacco, of 71 percent of the manufacturer’s established list price to distributors
11 without diminution by volume or other discounts on domestic products and, for
12 moist snuff, at the rate of 100 percent of the manufacturer’s established list price to
13 distributors without diminution by volume or other discounts on domestic products.
14 On tobacco products imported from another country, not including moist snuff,
15 ~~vapor products~~, cigars, little cigars, and pipe tobacco, the rate of tax is 71 percent of
16 the amount obtained by adding the manufacturer’s list price to the federal tax,
17 duties and transportation costs to the United States. On moist snuff imported from
18 another country, the rate of the tax is 100 percent of the amount obtained by adding
19 the manufacturer’s list price to the federal tax, duties, and transportation costs to
20 the United States. Except as provided in sub. (1p), the tax attaches at the time the
21 tobacco products are received by the distributor in this state. The tax shall be
22 passed on to the ultimate consumer of the tobacco products. All tobacco products
23 received in this state for sale or distribution within this state, except tobacco
24 products actually sold as provided in sub. (2), shall be subject to such tax.

1 **SECTION 29.** 139.76 (1p) of the statutes is amended to read:

2 139.76 (1p) An excise tax is imposed upon the sale, offering or exposing for
3 sale, possession with intent to sell, or removal for consumption or sale or other
4 disposition for any purpose of cigars, not including little cigars, and pipe tobacco by
5 any person engaged as a distributor or remote retail seller of them at the rate of 71
6 percent of the actual cost to the distributor or remote retail seller. The tax imposed
7 under this subsection on cigars, except little cigars, shall not exceed an amount
8 equal to 50 cents for each cigar. The tax attaches at the time the cigars or pipe
9 tobacco are received by the distributor in this state, except that for cigars and pipe
10 tobacco sold by a remote retail seller, the tax attaches at the time the remote retail
11 seller makes a remote retail sale of cigars or pipe tobacco to a consumer. The tax
12 shall be passed on to the ultimate consumer of the cigars and pipe tobacco. All
13 cigars, not including little cigars, and pipe tobacco received in this state for sale or
14 distribution within this state, except tobacco products actually sold as provided in
15 sub. (2), shall be subject to such tax.

16 **SECTION 30.** 139.76 (1t) of the statutes is created to read:

17 139.76 (1t) An excise tax is imposed upon the sale, offering or exposing for
18 sale, possession with intent to sell, or removal for consumption or sale or other
19 disposition for any purpose of little cigars by any person engaged as a distributor or
20 remote retail seller of them at the rate of 126 mills on each little cigar, regardless of
21 weight. The tax attaches at the time the little cigars are received by the distributor
22 in this state, except that for little cigars sold by a remote retail seller, the tax
23 attaches at the time the remote retail seller makes a remote retail sale of little
24 cigars to a consumer. The tax shall be passed on to the ultimate consumer of the

1 little cigars. All little cigars received in this state for sale or distribution within this
2 state, except those actually sold as provided in sub. (2), shall be subject to such tax.
3 To evidence payment of the tax imposed under this subsection on little cigars, the
4 department shall provide stamps. A person who has paid the tax shall affix stamps
5 of the proper denomination to each package in which little cigars are packed, prior
6 to the first sale within this state. Section 139.32, as it applies to the tax under s.
7 139.31, applies to the tax imposed under this subsection on little cigars.

8 **SECTION 31.** 139.78 (1) of the statutes is amended to read:

9 139.78 (1) Except as provided in ~~sub.~~ subs. (1p) and (1t), a tax is imposed upon
10 the use or storage by consumers of tobacco products in this state at the rate, for
11 tobacco products, not including moist snuff, ~~vapor products~~, cigars, little cigars, and
12 pipe tobacco, of 71 percent of the cost of the tobacco products and, for moist snuff, at
13 the rate of 100 percent of the manufacturer's established list price to distributors
14 without diminution by volume or other discounts on domestic products. The tax
15 imposed under this subsection on cigars, except little cigars, shall not exceed an
16 amount equal to 50 cents for each cigar. The tax does not apply if the tax imposed
17 by s. 139.76 (1) on the tobacco products has been paid or if the tobacco products are
18 exempt from the tobacco products tax under s. 139.76 (2).

19 **SECTION 32.** 139.78 (1p) of the statutes is amended to read:

20 139.78 (1p) A tax is imposed upon the use or storage by consumers of cigars,
21 not including little cigars, and pipe tobacco in this state at the rate and basis under
22 s. 139.76 (1p). The tax does not apply if the tax imposed by s. 139.76 (1p) on the
23 cigars or pipe tobacco has been paid or if the cigars or pipe tobacco are exempt from
24 the tax under s. 139.76 (2).

1 **SECTION 33.** 139.78 (1t) of the statutes is created to read:

2 139.78 (1t) A tax is imposed and levied upon the use or storage of little cigars
3 in this state by any person for any purpose. The tax is levied and shall be collected
4 at the same rate as provided for in s. 139.76 (1t). The tax under this subsection does
5 not apply if the tax imposed by s. 139.76 (1t) has been paid or if the little cigars are
6 exempt from tax under s. 139.76 (2).

7 **SECTION 34.** 139.83 of the statutes is renumbered 139.83 (1).

8 **SECTION 35.** 139.83 (2) of the statutes is created to read:

9 139.83 (2) Sections 139.315, 139.32, 139.321, 139.322, 139.34, 139.35, 139.36,
10 139.362, 139.363, 139.38, 139.395, 139.41, 139.42, 139.43, and 139.44 (8), as they
11 apply to the taxes under subch. II, apply to the administration and enforcement of
12 this subchapter for little cigars.

13 **SECTION 9437. Effective dates; Revenue.**

14 (1) LITTLE CIGARS. The treatment of ss. 139.44 (4), 139.75 (4t) and (12),
15 139.76 (1), (1p), and (1t), and 139.78 (1), (1p), and (1t), the renumbering of s. 139.83,
16 and the creation of s. 139.83 (2) take effect on the first day of the 3rd month
17 beginning after publication.”.

18 **10.** At the appropriate places, insert all of the following:

19 “**SECTION 36.** 71.07 (9e) (aj) (intro.) of the statutes is amended to read:

20 71.07 (9e) (aj) (intro.) For taxable years beginning after December 31, 2010,
21 and before January 1, 2025, an individual may credit against the tax imposed under
22 s. 71.02 an amount equal to one of the following percentages of the federal basic

1 earned income credit for which the person is eligible for the taxable year under
2 section 32 of the Internal Revenue Code:

3 **SECTION 37.** 71.07 (9e) (ak) of the statutes is created to read:

4 71.07 **(9e)** (ak) For taxable years beginning after December 31, 2024, an
5 individual may credit against the tax imposed under s. 71.02 an amount equal to
6 one of the following percentages of the federal basic earned income credit for which
7 the individual is eligible for the taxable year under section 32 of the Internal
8 Revenue Code:

9 1. If the individual has one qualifying child who has the same principal place
10 of abode as the individual, 16 percent.

11 2. If the individual has 2 qualifying children who have the same principal
12 place of abode as the individual, 25 percent.

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

15 **SECTION 38.** 73.03 (73) (f) 1. of the statutes is amended to read:

16 73.03 **(73)** (f) 1. Subject to subd. 2., for taxable years beginning after
17 December 31, 2020, the department shall make the pilot program described under
18 par. (b) permanent and applicable to all eligible claimants of the earned income tax
19 credit under s. 71.07 (9e) ~~(aj)~~, based on the specifications described under pars. (b)
20 and (c) 2.”.

21 **11.** At the appropriate places, insert all of the following:

22 **“SECTION 39.** 20.835 (1) (a) of the statutes is created to read:

1 20.835 (1) (a) *Property tax freeze incentive payments.* A sum sufficient to
2 make the payments under s. 79.06.

3 **SECTION 40.** 79.015 of the statutes is amended to read:

4 **79.015 Statement of estimated payments.** The department of revenue, on
5 or before September 15 of each year, shall provide to each municipality and county
6 a statement of estimated payments to be made in the next calendar year to the
7 municipality or county under ss. 79.035, 79.036, 79.037, 79.038, 79.039, 79.04, and
8 79.05 and shall provide a statement of estimated payments to be made to the
9 municipality or county under s. 79.06 if the municipality or county is eligible for a
10 payment under s. 79.06 in the next calendar year.

11 **SECTION 41.** 79.06 of the statutes is created to read:

12 **79.06 Property tax freeze incentive payments.** (1) In this section,
13 “political subdivision” means a city, village, town, or county.

14 (2) (a) A political subdivision is eligible for a payment under sub. (3) if its
15 property tax levy in a year is less than or equal to its property tax levy in the
16 immediately preceding year.

17 (b) For purposes of determining eligibility under par. (a), a political
18 subdivision’s property tax levy excludes all of the following expenditures made by
19 the political subdivision:

20 1. Expenditures related to annexation or service consolidation.

21 2. Unreimbursed emergency expenditures.

22 (3) (a) Beginning in 2026, each political subdivision that is eligible under sub.
23 (2) on the basis of its property tax levy imposed in the immediately preceding
24 December shall receive a payment calculated as follows:

1 1. Multiply the political subdivision's property tax levy for the year of the
2 payment by 0.03.

3 2. If the political subdivision received a payment under this subsection in the
4 immediately preceding year, multiply the amount of the payment by 1.03.

5 3. Add the amounts determined under subds. 1. and 2.

6 (b) For purposes of calculating the amount of a payment under par. (a), a
7 political subdivision's property tax levy excludes all expenditures excluded under
8 sub. (2) (b).

9 (c) The department of revenue shall certify the amount of the payment due
10 each taxing jurisdiction under par. (a) to the department of administration, and the
11 department of administration shall make the payment on or before the first Monday
12 in May.

13 (4) The department of revenue may promulgate rules to implement this
14 section.”.

15 **12.** At the appropriate places, insert all of the following:

16 “**SECTION 42.** 71.05 (1) (j) of the statutes is created to read:

17 71.05 (1) (j) *Tips.* Amounts received as cash tips by an employee from the
18 customers of the employee's employer.

19 **SECTION 43.** 71.05 (6) (b) 19. cm. of the statutes is amended to read:

20 71.05 (6) (b) 19. cm. For taxable years beginning after December 31, 2020, for
21 a person who is a nonresident or a part-year resident of this state, modify the
22 amount calculated under subd. 19. b. by multiplying the amount by a fraction the
23 numerator of which is the person's wages, salary, ~~tips~~, unearned income, and net
24 earnings from a trade or business that are taxable by this state and the

1 denominator of which is the person's total wages, salary, ~~tips~~, unearned income,
2 and net earnings from a trade or business. In this subd. 19. cm., for married
3 persons filing separately "wages, salary, ~~tips~~, unearned income, and net earnings
4 from a trade or business" means the separate wages, salary, ~~tips~~, unearned income,
5 and net earnings from a trade or business of each spouse, and for married persons
6 filing jointly "wages, salary, ~~tips~~, unearned income, and net earnings from a trade
7 or business" means the total wages, salary, ~~tips~~, unearned income, and net earnings
8 from a trade or business of both spouses.

9 **SECTION 44.** 71.05 (6) (b) 19. dm. of the statutes is amended to read:

10 71.05 (6) (b) 19. dm. For taxable years beginning after December 31, 2020,
11 reduce the amount calculated under subd. 19. b. or cm. to the person's aggregate
12 wages, salary, ~~tips~~, unearned income, and net earnings from a trade or business
13 that are taxable by this state.

14 **SECTION 45.** 71.05 (6) (b) 28. e. of the statutes is amended to read:

15 71.05 (6) (b) 28. e. For an individual who is a nonresident or part-year
16 resident of this state, multiply the amount calculated under subd. 28. a., am., b., c.
17 or d. by a fraction the numerator of which is the individual's wages, salary, ~~tips~~,
18 unearned income and net earnings from a trade or business that are taxable by this
19 state and the denominator of which is the individual's total wages, salary, ~~tips~~,
20 unearned income and net earnings from a trade or business. In this subd. 28. e., for
21 married persons filing separately "wages, salary, ~~tips~~, unearned income and net
22 earnings from a trade or business" means the separate wages, salary, ~~tips~~,
23 unearned income and net earnings from a trade or business of each spouse, and for
24 married persons filing jointly "wages, salary, ~~tips~~, unearned income and net

1 earnings from a trade or business” means the total wages, salary, ~~tips~~, unearned
2 income and net earnings from a trade or business of both spouses.

3 **SECTION 46.** 71.05 (6) (b) 28. f. of the statutes is amended to read:

4 71.05 (6) (b) 28. f. Reduce the amount calculated under subd. 28. a., am., b., c.,
5 d. or e. to the individual’s aggregate wages, salary, ~~tips~~, unearned income and net
6 earnings from a trade or business that are taxable by this state.

7 **SECTION 47.** 71.05 (6) (b) 32. b. of the statutes is amended to read:

8 71.05 (6) (b) 32. b. For an individual who is a nonresident or part-year
9 resident of this state, multiply the amount calculated under subd. 32. a. by a
10 fraction the numerator of which is the individual’s wages, salary, ~~tips~~, unearned
11 income and net earnings from a trade or business that are taxable by this state and
12 the denominator of which is the individual’s total wages, salary, ~~tips~~, unearned
13 income and net earnings from a trade or business. In this subd. 32. b., for married
14 persons filing separately “wages, salary, ~~tips~~, unearned income and net earnings
15 from a trade or business” means the separate wages, salary, ~~tips~~, unearned income
16 and net earnings from a trade or business of each spouse, and for married persons
17 filing jointly “wages, salary, ~~tips~~, unearned income and net earnings from a trade or
18 business” means the total wages, salary, ~~tips~~, unearned income and net earnings
19 from a trade or business of both spouses.

20 **SECTION 48.** 71.05 (6) (b) 32. c. of the statutes is amended to read:

21 71.05 (6) (b) 32. c. Reduce the amount calculated under subd. 32. a. or b. to the
22 individual’s aggregate wages, salary, ~~tips~~, unearned income and net earnings from
23 a trade or business that are taxable by this state.

24 **SECTION 49.** 71.05 (6) (b) 33. b. of the statutes is amended to read:

1 71.05 (6) (b) 33. b. For an individual who is a nonresident or part-year
2 resident of this state, multiply the amount calculated under subd. 33. a. by a
3 fraction the numerator of which is the individual's wages, salary, ~~tips~~, unearned
4 income and net earnings from a trade or business that are taxable by this state and
5 the denominator of which is the individual's total wages, salary, ~~tips~~, unearned
6 income and net earnings from a trade or business. In this subd. 33. b., for married
7 persons filing separately "wages, salary, ~~tips~~, unearned income and net earnings
8 from a trade or business" means the separate wages, salary, ~~tips~~, unearned income
9 and net earnings from a trade or business of each spouse, and for married persons
10 filing jointly "wages, salary, ~~tips~~, unearned income and net earnings from a trade or
11 business" means the total wages, salary, ~~tips~~, unearned income and net earnings
12 from a trade or business of both spouses.

13 **SECTION 50.** 71.05 (6) (b) 33. c. of the statutes is amended to read:

14 71.05 (6) (b) 33. c. Reduce the amount calculated under subd. 33. a. or b. to the
15 individual's aggregate wages, salary, ~~tips~~, unearned income and net earnings from
16 a trade or business that are taxable by this state.

17 **SECTION 51.** 71.05 (6) (b) 35. c. of the statutes is amended to read:

18 71.05 (6) (b) 35. c. For an individual who is a nonresident or part-year
19 resident of this state, multiply the amount calculated under subd. 35. a. or b., by a
20 fraction the numerator of which is the individual's wages, salary, ~~tips~~, unearned
21 income, and net earnings from a trade or business that are taxable by this state and
22 the denominator of which is the individual's total wages, salary, ~~tips~~, unearned
23 income, and net earnings from a trade or business. In this subd. 35. c., for married
24 persons filing separately "wages, salary, ~~tips~~, unearned income, and net earnings

1 from a trade or business” means the separate wages, salary, ~~tips~~, unearned income,
2 and net earnings from a trade or business of each spouse, and for married persons
3 filing jointly “wages, salary, ~~tips~~, unearned income, and net earnings from a trade
4 or business” means the total wages, salary, ~~tips~~, unearned income, and net earnings
5 from a trade or business of both spouses.

6 **SECTION 52.** 71.05 (6) (b) 35. d. of the statutes is amended to read:

7 71.05 (6) (b) 35. d. Reduce the amount calculated under subd. 35. a., b., or c. to
8 the individual’s aggregate wages, salary, ~~tips~~, unearned income, and net earnings
9 from a trade or business that are taxable by this state.

10 **SECTION 53.** 71.05 (6) (b) 38. c. of the statutes is amended to read:

11 71.05 (6) (b) 38. c. For an individual who is a nonresident or part-year
12 resident of this state, multiply the amount calculated under subd. 38. a. or b., by a
13 fraction the numerator of which is the individual’s wages, salary, ~~tips~~, unearned
14 income, and net earnings from a trade or business that are taxable by this state and
15 the denominator of which is the individual’s total wages, salary, ~~tips~~, unearned
16 income, and net earnings from a trade or business. In this subd. 38. c., for married
17 persons filing separately “wages, salary, ~~tips~~, unearned income, and net earnings
18 from a trade or business” means the separate wages, salary, ~~tips~~, unearned income,
19 and net earnings from a trade or business of each spouse, and for married persons
20 filing jointly “wages, salary, ~~tips~~, unearned income, and net earnings from a trade
21 or business” means the total wages, salary, ~~tips~~, unearned income, and net earnings
22 from a trade or business of both spouses.

23 **SECTION 54.** 71.05 (6) (b) 38. d. of the statutes is amended to read:

24 71.05 (6) (b) 38. d. Reduce the amount calculated under subd. 38. a., b., or c. to

1 the individual's aggregate wages, salary, ~~tips~~, unearned income, and net earnings
2 from a trade or business that are taxable by this state.

3 **SECTION 55.** 71.05 (6) (b) 42. c. of the statutes is amended to read:

4 71.05 (6) (b) 42. c. For an individual who is a nonresident or part-year
5 resident of this state, multiply the amount calculated under subd. 42. a. or b., by a
6 fraction the numerator of which is the individual's wages, salary, ~~tips~~, unearned
7 income, and net earnings from a trade or business that are taxable by this state and
8 the denominator of which is the individual's total wages, salary, ~~tips~~, unearned
9 income, and net earnings from a trade or business. In this subd. 42. c., for married
10 persons filing separately "wages, salary, ~~tips~~, unearned income, and net earnings
11 from a trade or business" means the separate wages, salary, ~~tips~~, unearned income,
12 and net earnings from a trade or business of each spouse, and for married persons
13 filing jointly "wages, salary, ~~tips~~, unearned income, and net earnings from a trade
14 or business" means the total wages, salary, ~~tips~~, unearned income, and net earnings
15 from a trade or business of both spouses.

16 **SECTION 56.** 71.05 (6) (b) 42. d. of the statutes is amended to read:

17 71.05 (6) (b) 42. d. Reduce the amount calculated under subd. 42. a., b., or c. to
18 the individual's aggregate wages, salary, ~~tips~~, unearned income, and net earnings
19 from a trade or business that are taxable by this state.

20 **SECTION 57.** 71.05 (6) (b) 43. f. of the statutes is amended to read:

21 71.05 (6) (b) 43. f. An individual who is a nonresident or part-year resident of
22 this state and who claims the subtraction under this subdivision shall multiply the
23 amount calculated under subd. 43. a., b., c., or d. by a fraction the numerator of
24 which is the individual's wages, salary, ~~tips~~, unearned income, and net earnings

1 from a trade or business that are taxable by this state and the denominator of which
2 is the individual's total wages, salary, ~~tips~~, unearned income, and net earnings from
3 a trade or business. In this subd. 43. f., for married persons filing separately
4 "wages, salary, ~~tips~~, unearned income, and net earnings from a trade or business"
5 means the separate wages, salary, ~~tips~~, unearned income, and net earnings from a
6 trade or business of each spouse, and for married persons filing jointly "wages,
7 salary, ~~tips~~, unearned income, and net earnings from a trade or business" means
8 the total wages, salary, ~~tips~~, unearned income, and net earnings from a trade or
9 business of both spouses.

10 **SECTION 58.** 71.63 (6) (n) (intro.) of the statutes is renumbered 71.63 (6) (n)
11 and amended to read:

12 71.63 (6) (n) In the form of tips paid to employees ~~if~~.

13 **SECTION 59.** 71.63 (6) (n) 1. of the statutes is repealed.

14 **SECTION 60.** 71.63 (6) (n) 2. of the statutes is repealed.

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

16 (1) The treatment of s. 71.05 (1) (j) and (6) (b) 19. cm. and dm., 28. e. and f., 32.
17 b. and c., 33. b. and c., 35. c. and d., 38. c. and d., 42. c. and d., and 43. f., the
18 renumbering and amendment of s. 71.63 (6) (n) (intro.), and the repeal of s. 71.63 (6)
19 (n) 1. and 2. first apply to taxable years beginning after December 31, 2024."

20 **13.** At the appropriate places, insert all of the following:

21 "SECTION 61. 71.07 (3y) (b) 6. of the statutes is amended to read:

22 71.07 (3y) (b) 6. For taxable years beginning after December 31, 2023, and
23 before January 1, 2025, the amount of the investment in workforce housing, as
24 defined in s. 234.66 (1) (i), for employees, not to exceed 15 percent of such

1 investment, and, for taxable years beginning after December 31, 2023, the amount
2 of the investment in establishing an employee child care program for employees, not
3 to exceed 15 percent of such investment, as determined by the Wisconsin Economic
4 Development Corporation.

5 **SECTION 62.** 71.07 (3y) (b) 7. of the statutes is created to read:

6 71.07 (3y) (b) 7. For taxable years beginning after December 31, 2024, the
7 amount of the investment in workforce housing, as defined in s. 234.66 (1) (i), for
8 employees, including contributions made by the person to a 3rd party responsible
9 for building or rehabilitating workforce housing, including contributions made to a
10 local revolving loan fund program, not to exceed 15 percent of such investment.

11 **SECTION 63.** 71.28 (3y) (b) 6. of the statutes is amended to read:

12 71.28 (3y) (b) 6. For taxable years beginning after December 31, 2023, and
13 before January 1, 2025, the amount of the investment in workforce housing, as
14 defined in s. 234.66 (1) (i), for employees, not to exceed 15 percent of such
15 investment, and, for taxable years beginning after December 31, 2023, the amount
16 of the investment made in establishing an employee child care program for
17 employees, not to exceed 15 percent of such investment, as determined by the
18 Wisconsin Economic Development Corporation.

19 **SECTION 64.** 71.28 (3y) (b) 7. of the statutes is created to read:

20 71.28 (3y) (b) 7. For taxable years beginning after December 31, 2024, the
21 amount of the investment in workforce housing, as defined in s. 234.66 (1) (i), for
22 employees, including contributions made by the person to a 3rd party responsible
23 for building or rehabilitating workforce housing, including contributions made to a
24 local revolving loan fund program, not to exceed 15 percent of such investment.

1 **SECTION 65.** 71.47 (3y) (b) 6. of the statutes is amended to read:

2 71.47 (3y) (b) 6. For taxable years beginning after December 31, 2023, and
3 before January 1, 2025, the amount of the investment in workforce housing, as
4 defined in s. 234.66 (1) (i), for employees, not to exceed 15 percent of such
5 investment, and, for taxable years beginning after December 31, 2023, the amount
6 of the investment made in establishing an employee child care program for
7 employees, not to exceed 15 percent of such investment, as determined by the
8 Wisconsin Economic Development Corporation.

9 **SECTION 66.** 71.47 (3y) (b) 7. of the statutes is created to read:

10 71.47 (3y) (b) 7. For taxable years beginning after December 31, 2024, the
11 amount of the investment in workforce housing, as defined in s. 234.66 (1) (i), for
12 employees, including contributions made by the person to a 3rd party responsible
13 for building or rehabilitating workforce housing, including contributions made to a
14 local revolving loan fund program, not to exceed 15 percent of such investment.

15 **SECTION 67.** 238.308 (4) (a) 6. of the statutes is amended to read:

16 238.308 (4) (a) 6. For taxable years beginning after December 31, 2023, and
17 before January 1, 2025, an amount equal to up to 15 percent of the person's
18 investment in workforce housing, as defined in s. 234.66 (1) (i), for employees and,
19 for taxable years beginning after December 31, 2023, up to 15 percent of the
20 person's investment in establishing an employee child care program for employees.
21 Such investments may include only capital expenditures made by the person.

22 **SECTION 68.** 238.308 (4) (a) 7. of the statutes is created to read:

23 238.308 (4) (a) 7. For taxable years beginning after December 31, 2024, an
24 amount equal to up to 15 percent of the person's investment in workforce housing,

as defined in s. 234.66 (1) (i). Such investments may include contributions made by the person to a 3rd party responsible for building or rehabilitating workforce housing, including contributions made to a local revolving loan fund program.”.

14. At the appropriate places, insert all of the following:

“**SECTION 69.** 71.05 (6) (b) 4. (intro.) of the statutes is amended to read:

71.05 (6) (b) 4. (intro.) ~~Disability~~ For taxable years beginning before January 1, 2025, disability payments other than disability payments that are paid from a retirement plan, the payments from which are exempt under subd. 54. and sub. (1) (am) and (an), if the individual either is single or is married and files a joint return and is under 65 years of age before the close of the taxable year to which the subtraction relates, retired on disability, and, when the individual retired, was permanently and totally disabled. In this subdivision, “permanently and totally disabled” means an individual who is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. An individual shall not be considered permanently and totally disabled for purposes of this subdivision unless proof is furnished in such form and manner, and at such times, as prescribed by the department. The exclusion under this subdivision shall be determined as follows:

SECTION 70. 71.05 (6) (b) 4m. of the statutes is created to read:

71.05 (6) (b) 4m. For taxable years beginning after December 31, 2024, disability payments other than disability payments that are paid from a retirement plan, the payments from which are exempt under subd. 54. and sub. (1) (am) and

1 (an), if the individual is under 65 years of age before the close of the taxable year to
2 which the subtraction relates, retired on disability, and, when the individual
3 retired, was permanently and totally disabled. In this subdivision, “permanently
4 and totally disabled” means an individual who is unable to engage in any
5 substantial gainful activity by reason of any medically determinable physical or
6 mental impairment that can be expected to result in death or which has lasted or
7 can be expected to last for a continuous period of not less than 12 months. An
8 individual shall not be considered permanently and totally disabled for purposes of
9 this subdivision unless proof is furnished in such form and manner, and at such
10 times, as prescribed by the department. The exclusion under this subdivision shall
11 be determined as follows:

12 a. If the individual is single or files as a head of household and the
13 individual’s federal adjusted gross income in the year to which the subtraction
14 relates is less than \$30,000, the maximum subtraction is \$5,500 or the amount of
15 disability pay reported as income, whichever is less.

16 b. If the individual is married and is a joint filer and the couple’s federal
17 adjusted gross income in the year to which the subtraction relates is less than
18 \$60,000, the maximum subtraction is \$5,500 per spouse that is disabled or the
19 amount of disability pay reported as income, whichever is less.

20 c. If the individual is married and files a separate return and the sum of both
21 spouses’ federal adjusted gross income in the year to which the subtraction relates
22 is less than \$60,000, the maximum subtraction is \$5,500 or the amount of disability
23 pay reported as income, whichever is less.”.

1 **15.** At the appropriate places, insert all of the following:

2 “**SECTION 71.** 71.05 (6) (b) 59. of the statutes is created to read:

3 71.05 **(6)** (b) 59. For taxable years beginning after December 31, 2026, to the
4 extent not otherwise excluded from Wisconsin taxable income if not for this
5 subdivision, the amount of membership dues and expenses paid by the claimant
6 during the taxable year to a labor organization, as defined in s. 5.02 (8m).”.

7 **16.** At the appropriate places, insert all of the following:

8 “**SECTION 72.** 71.54 (1) (g) (intro.) of the statutes is amended to read:

9 71.54 (1) (g) ~~2012 and thereafter~~ to 2025. (intro.) The amount of any claim
10 filed in 2012 ~~and thereafter~~ to 2025 and based on property taxes accrued or rent
11 constituting property taxes accrued during the previous year is limited as follows:

12 **SECTION 73.** 71.54 (1) (g) 4. of the statutes is amended to read:

13 71.54 (1) (g) 4. ~~Except as provided in subds. 5. and 7., for~~ For claims filed in
14 2018 and thereafter and based on property taxes accrued or rent constituting
15 property taxes accrued during the previous year, no credit may be allowed under
16 this paragraph if the claimant has no earned income in the taxable year to which
17 the claim relates unless the claimant is disabled and provides the proof required
18 under subd. 6. or the claimant or the claimant’s spouse is over the age of 61 at the
19 close of the year to which the claim relates.

20 **SECTION 74.** 71.54 (1) (g) 5. of the statutes is repealed.

21 **SECTION 75.** 71.54 (1) (g) 6. (intro.) of the statutes is amended to read:

22 71.54 (1) (g) 6. (intro.) ~~With regard to a claimant who is disabled, the A~~
23 claimant who is disabled shall provide with his or her return proof that his or her

1 disability is in effect for the taxable year to which the claim relates. Proof of
2 disability may be demonstrated by any of the following:

3 **SECTION 76.** 71.54 (1) (g) 7. of the statutes is repealed.

4 **SECTION 77.** 71.54 (1) (h) of the statutes is created to read:

5 71.54 (1) (h) *2026 and thereafter.* Subject to sub. (2m), the amount of any
6 claim filed in 2026 and thereafter and based on property taxes accrued or rent
7 constituting property taxes accrued during the previous year is limited as follows:

8 1. If the household income was \$19,000 or less in the year to which the claim
9 relates, the claim is limited to 80 percent of the property taxes accrued or rent
10 constituting property taxes accrued or both in that year on the claimant's
11 homestead.

12 2. If the household income was more than \$19,000 in the year to which the
13 claim relates, the claim is limited to 80 percent of the amount by which the property
14 taxes accrued or rent constituting property taxes accrued or both in that year on the
15 claimant's homestead exceeds 7.891 percent of the household income exceeding
16 \$19,000.

17 3. No credit may be allowed if the household income exceeds \$37,500.

18 4. Notwithstanding the time limitations described in par. (g) (intro.), the
19 provisions of par. (g) 4. apply to claims filed under this paragraph.

20 **SECTION 78.** 71.54 (2) (b) 4. of the statutes is amended to read:

21 71.54 (2) (b) 4. In calendar years 2011 ~~or any subsequent calendar year to~~
22 2024, \$1,460.

23 **SECTION 79.** 71.54 (2) (b) 5. of the statutes is created to read:

1 71.54 (2) (b) 5. Subject to sub. (2m), in calendar year 2025 or any subsequent
2 calendar year, \$1,460.

3 **SECTION 80.** 71.54 (2m) of the statutes is amended to read:

4 71.54 (2m) INDEXING FOR INFLATION; ~~2010 2026 AND THEREAFTER~~. (a) For
5 calendar years beginning after December 31, ~~2009, and before January 1, 2011~~
6 2025, the dollar amounts of the threshold income under sub. (1) (~~f~~) (h) 1. and 2., the
7 maximum household income under sub. (1) (~~f~~) (h) 3., and the maximum property
8 taxes under sub. (2) (b) ~~3. 5.~~ shall be increased each year by a percentage equal to
9 the percentage change between the U.S. consumer price index for all urban
10 consumers, U.S. city average, ~~for the 12-month average of the U.S. consumer price~~
11 ~~index for the month of August of the year before the previous year through the~~
12 ~~month of July of the previous year~~ and the U.S. consumer price index for all urban
13 consumers, U.S. city average, ~~for the 12-month average of the U.S. consumer price~~
14 ~~index for August 2007 through July 2008~~ 2024, as determined by the federal
15 department of labor, except that the adjustment may occur only if the percentage is
16 a positive number. Each amount that is revised under this paragraph shall be
17 rounded to the nearest multiple of \$10 if the revised amount is not a multiple of \$10
18 or, if the revised amount is a multiple of \$5, such an amount shall be increased to
19 the next higher multiple of \$10. The department of revenue shall annually adjust
20 the changes in dollar amounts required under this paragraph and incorporate the
21 changes into the income tax forms and instructions.

22 (b) The department of revenue shall annually adjust the slope under sub. (1)
23 (~~f~~) (h) 2. ~~such so~~ that, as a claimant's income increases from the threshold income as

1 ~~calculated~~ adjusted under par. (a), to an amount that exceeds the maximum
2 household income as ~~calculated~~ adjusted under par. (a), the credit that may be
3 claimed is reduced to \$0, and the department of revenue shall incorporate the
4 changes into the income tax forms and instructions.

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

6 (1) HOMESTEAD TAX CREDIT. The treatment of s. 71.54 (1) (h) first applies to
7 claims filed for taxable years beginning after December 31, 2024.”.

8 **17.** At the appropriate places, insert all of the following:

9 “**SECTION 81.** 71.05 (6) (a) 30. of the statutes is created to read:

10 71.05 (6) (a) 30. For taxable years beginning after December 31, 2024, any
11 amount distributed during the taxable year from a catastrophe savings account, as
12 described in s. 224.28, that was not used to pay an expense described in s. 224.28
13 (3), except that this subdivision applies only to amounts for which a subtraction was
14 made under par. (b) 57. or 58.

15 **SECTION 82.** 71.05 (6) (b) 57. of the statutes is created to read:

16 71.05 (6) (b) 57. For taxable years beginning after December 31, 2024, any
17 increase in the value of a catastrophe savings account, as described in s. 224.28,
18 other than from a deposit into the account, except that the subtraction under this
19 subdivision may not be claimed by an account owner who has made a withdrawal
20 from the account that was not used to pay an expense described in s. 224.28 (3).

21 **SECTION 83.** 71.05 (6) (b) 58. of the statutes is created to read:

22 71.05 (6) (b) 58. For taxable years beginning after December 31, 2024, an
23 amount equal to any deposit made during the taxable year to a catastrophe savings
24 account, as described in s. 224.28, by the account owner. The subtraction made

1 under this subdivision may not exceed an amount equal to the amount specified for
2 the account owner under s. 224.28 (4).

3 **SECTION 84.** 224.28 of the statutes is created to read:

4 **224.28 Catastrophe savings accounts. (1)** In this section:

5 (a) “Account” has the meaning given in s. 705.01 (1).

6 (b) “Catastrophic event” means any of the following:

7 1. A tornado.

8 2. A hurricane.

9 3. A severe storm that results in flooding, damaging hail, extreme wind, or
10 extremely cold temperatures.

11 (c) “Financial institution” has the meaning given in s. 705.01 (3).

12 (d) “Policy” means an insurance policy that includes coverage for loss or
13 damage to property resulting from a catastrophic event.

14 (e) “Record” has the meaning given in s. 137.11 (12).

15 **(2)** A person may designate an account established by the person at a
16 financial institution as a catastrophe savings account if all of the following apply:

17 (a) The account is identified in the financial institution’s records as a
18 catastrophe savings account or the person, at the time the account is established,
19 creates a record that the account is a catastrophe savings account and then retains
20 this record.

21 (b) The account is established solely to hold savings to be used for the
22 purposes under sub. (3) and no deposits are made in the account other than deposits
23 intended to be used for the purposes under sub. (3).

1 (3) Deposits in a catastrophe savings account may be withdrawn from the
2 account only for any of the following purposes:

3 (a) To pay for repair costs or other losses relating to damage to the account
4 owner's property caused by a catastrophic event to the extent the costs or losses are
5 not covered by a policy or are self-insured losses.

6 (b) To pay any portion of a policy's deductible relating to damage to the
7 account owner's property caused by a catastrophic event.

8 (4) If a person who establishes a catastrophe savings account maintains a
9 policy providing coverage for a catastrophic event, the annual deposits in the
10 catastrophe savings account may not exceed the following:

11 (a) If the policy deductible is not more than \$1,000, \$2,000.

12 (b) If the policy deductible exceeds \$1,000, \$15,000 or twice the amount of the
13 policy deductible, whichever is less.

14 (5) A catastrophe savings account established under sub. (2) may be a joint
15 account, as defined in s. 705.01 (4), or a marital account, as defined in s. 705.01
16 (4m), but no individual may be an account owner of more than one catastrophe
17 savings account.”.

18 **18.** At the appropriate places, insert all of the following:

19 “**SECTION 85.** 71.07 (6e) (a) 2. b. of the statutes is amended to read:

20 71.07 (6e) (a) 2. b. An individual who had served on active duty under
21 honorable conditions in the U.S. armed forces or in forces incorporated as part of
22 the U.S. armed forces; who was a resident of this state at the time of entry into that
23 active service or who had been a resident of this state for any consecutive 5-year
24 period after entry into that active duty service; who was a resident of this state at

1 the time of his or her death; and who had either a service-connected disability
2 rating of ~~100~~ at least 70 percent under 38 USC 1114 or 1134 or a 100 percent
3 disability rating based on individual unemployability.

4 **SECTION 86.** 71.07 (6e) (a) 3. d. of the statutes is amended to read:

5 71.07 **(6e)** (a) 3. d. Has either a service-connected disability rating of ~~100~~ at
6 least 70 percent under 38 USC 1114 or 1134 or a 100 percent disability rating based
7 on individual unemployability.

8 **SECTION 87.** 71.07 (6e) (c) 4. of the statutes is created to read:

9 71.07 **(6e)** (c) 4. If a service-connected disability rating is less than 100
10 percent, the amount that the claimant may claim under this subsection shall be
11 multiplied by a percentage that equals that service-connected disability rating.

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

13 (1) VETERANS PROPERTY TAX CREDIT EXPANSION. The treatment of s. 71.07 (6e)
14 (a) 2. b. and 3. d. and (c) 4. first applies to taxable years beginning after December
15 31, 2024.”.

16 **19.** At the appropriate places, insert all of the following:

17 “**SECTION 88.** 71.07 (6e) (a) 6. of the statutes is created to read:

18 71.07 **(6e)** (a) 6. “Rent constituting property taxes” has the meaning given in
19 sub. (9) (a) 4.

20 **SECTION 89.** 71.07 (6e) (b) of the statutes is amended to read:

21 71.07 **(6e)** (b) *Filing claims.* Subject to the limitations provided in this
22 subsection, a claimant may claim as a credit against the tax imposed under s. 71.02
23 the amount of the claimant’s property taxes or rent constituting property taxes. If

1 the allowable amount of the claim exceeds the income taxes otherwise due on the
2 claimant's income, the amount of the claim not used as an offset against those taxes
3 shall be certified by the department of revenue to the department of administration
4 for payment to the claimant by check, share draft, or other draft from the
5 appropriation under s. 20.835 (2) (em).

6 **SECTION 90.** 71.07 (6e) (c) 3. of the statutes is amended to read:

7 71.07 **(6e)** (c) 3. If an eligible veteran and an eligible spouse file separate
8 returns, each spouse may claim a credit under this subsection for property taxes
9 based on their respective ownership interest in the eligible veteran's principal
10 dwelling or for rent constituting property taxes based on 50 percent of the total rent
11 constituting property taxes paid during the taxable year for the eligible veteran's
12 principal dwelling.

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

14 (1) VETERANS AND SURVIVING SPOUSES PROPERTY TAX CREDIT. The treatment
15 of s. 71.07 (6e) (a) 6., (b), and (c) 3. first applies to taxable years beginning after
16 December 31, 2024.”.

17 **20.** At the appropriate places, insert all of the following:

18 “**SECTION 91.** 71.07 (8m) of the statutes is created to read:

19 71.07 **(8m)** UNIVERSAL CHANGING STATION CREDIT. (a) *Definitions.* In this
20 subsection:

21 1. “Claimant” means a sole proprietor, a partner of a partnership, a member
22 of a limited liability company, or a shareholder of a tax-option corporation who files

1 a claim under this subsection and meets either of the following conditions during
2 the preceding taxable year:

3 a. Had gross receipts that did not exceed \$1,000,000.

4 b. Employed no more than 30 full-time employees.

5 2. “Full-time employee” means an individual who is employed for at least 30
6 hours per week for 20 or more calendar weeks during a taxable year.

7 3. “Universal changing station” means a powered and height-adjustable adult
8 changing table that is either floor mounted or wall mounted with a safety rail and
9 can be used by an individual with a disability of either sex and the individual’s care
10 provider for personal hygiene and that satisfies all of the following:

11 a. The changing table can lower to a height of 8 inches and raise to a height of
12 34 inches.

13 b. The changing table is at least 31 inches wide by 72 inches long.

14 c. The changing table supports at least 350 pounds.

15 (b) *Filing claims.* For taxable years beginning after December 31, 2024,
16 subject to the limitations provided in this subsection, a claimant may claim as a
17 credit against the tax imposed under s. 71.02, up to the amount of those taxes, an
18 amount equal to 50 percent of the amount the claimant paid during the taxable
19 year to install a universal changing station.

20 (c) *Limitations.* 1. No credit may be claimed under this subsection unless the
21 universal changing station is installed in a single-occupant restroom that measures
22 at least 8 feet by 10 feet, with adequate space for a wheelchair and a care provider to
23 maneuver; that is equipped with a waste receptacle, a toilet, a lavatory, a soap

1 dispenser, and a paper towel dispenser; and that complies with accessibility
2 standards under the federal Americans with Disabilities Act.

3 2. The credit claimed under this subsection may not exceed \$5,125.

4 3. Partnerships, limited liability companies, and tax-option corporations may
5 not claim the credit under this subsection, but the eligibility for, and the amount of,
6 the credit are based on the amounts paid by the entity. A partnership, limited
7 liability company, or tax-option corporation shall compute the amount of credit that
8 each of its partners, members, or shareholders may claim and shall provide that
9 information to each of them. Partners, members, and shareholders may claim the
10 credit in proportion to their ownership interests.

11 (d) *Administration*. Section 71.28 (4) (e) to (h), as it applies to the credit under
12 s. 71.28 (4), applies to the credit under this subsection.

13 **SECTION 92.** 71.10 (4) (ha) of the statutes is created to read:

14 71.10 (4) (ha) Universal changing station credit under s. 71.07 (8m).

15 **SECTION 93.** 71.28 (8m) of the statutes is created to read:

16 71.28 (8m) UNIVERSAL CHANGING STATION CREDIT. (a) *Definitions*. In this
17 subsection:

18 1. "Claimant" means a person who files a claim under this subsection and
19 meets either of the following conditions during the preceding taxable year:

20 a. Had gross receipts that did not exceed \$1,000,000.

21 b. Employed no more than 30 full-time employees.

22 2. "Full-time employee" means an individual who is employed for at least 30
23 hours per week for 20 or more calendar weeks during a taxable year.

1 3. “Universal changing station” has the meaning given in s. 71.07 (8m) (a) 3.

2 (b) *Filing claims.* For taxable years beginning after December 31, 2024,
3 subject to the limitations provided in this subsection, a claimant may claim as a
4 credit against the tax imposed under s. 71.23, up to the amount of those taxes, an
5 amount equal to 50 percent of the amount the claimant paid during the taxable
6 year to install a universal changing station.

7 (c) *Limitations.* 1. No credit may be claimed under this subsection unless the
8 universal changing station is installed in a single-occupant restroom that measures
9 at least 8 feet by 10 feet, with adequate space for a wheelchair and a care provider to
10 maneuver; that is equipped with a waste receptacle, a toilet, a lavatory, a soap
11 dispenser, and a paper towel dispenser; and that complies with accessibility
12 standards under the federal Americans with Disabilities Act.

13 2. The credit claimed under this subsection may not exceed \$5,125.

14 3. Partnerships, limited liability companies, and tax-option corporations may
15 not claim the credit under this subsection, but the eligibility for, and the amount of,
16 the credit are based on the amounts paid by the entity. A partnership, limited
17 liability company, or tax-option corporation shall compute the amount of credit that
18 each of its partners, members, or shareholders may claim and shall provide that
19 information to each of them. Partners, members, and shareholders may claim the
20 credit in proportion to their ownership interests.

21 (d) *Administration.* Subsection (4) (e) to (h), as it applies to the credit under
22 sub. (4), applies to the credit under this subsection.

23 **SECTION 94.** 71.30 (3) (cu) of the statutes is created to read:

1 71.30 (3) (cu) Universal changing station credit under s. 71.28 (8m).

2 **SECTION 95.** 71.47 (8m) of the statutes is created to read:

3 71.47 (8m) UNIVERSAL CHANGING STATION CREDIT. (a) *Definitions.* In this
4 subsection:

5 1. “Claimant” means a person who files a claim under this subsection and
6 meets either of the following conditions during the preceding taxable year:

7 a. Had gross receipts that did not exceed \$1,000,000.

8 b. Employed no more than 30 full-time employees.

9 2. “Full-time employee” means an individual who is employed for at least 30
10 hours per week for 20 or more calendar weeks during a taxable year.

11 3. “Universal changing station” has the meaning given in s. 71.07 (8m) (a) 3.

12 (b) *Filing claims.* For taxable years beginning after December 31, 2024,
13 subject to the limitations provided in this subsection, a claimant may claim as a
14 credit against the tax imposed under s. 71.43, up to the amount of those taxes, an
15 amount equal to 50 percent of the amount the claimant paid during the taxable
16 year to install a universal changing station.

17 (c) *Limitations.* 1. No credit may be claimed under this subsection unless the
18 universal changing station is installed in a single-occupant restroom that measures
19 at least 8 feet by 10 feet, with adequate space for a wheelchair and a care provider to
20 maneuver; that is equipped with a waste receptacle, a toilet, a lavatory, a soap
21 dispenser, and a paper towel dispenser; and that complies with accessibility
22 standards under the federal Americans with Disabilities Act.

23 2. The credit claimed under this subsection may not exceed \$5,125.

1 3. Partnerships, limited liability companies, and tax-option corporations may
2 not claim the credit under this subsection, but the eligibility for, and the amount of,
3 the credit are based on the amounts paid by the entity. A partnership, limited
4 liability company, or tax-option corporation shall compute the amount of credit that
5 each of its partners, members, or shareholders may claim and shall provide that
6 information to each of them. Partners, members, and shareholders may claim the
7 credit in proportion to their ownership interests.

8 (d) *Administration*. Section 71.28 (4) (e) to (h), as it applies to the credit under
9 s. 71.28 (4), applies to the credit under this subsection.

10 **SECTION 96.** 71.49 (1) (cu) of the statutes is created to read:

11 71.49 (1) (cu) Universal changing station credit under s. 71.47 (8m).”.

12 **21.** At the appropriate places, insert all of the following:

13 “**SECTION 97.** 20.507 (1) (c) of the statutes is amended to read:

14 20.507 (1) (c) *Payments in lieu of taxes*. ~~The amounts in the schedule A sum~~
15 sufficient for payments in lieu of property taxes under s. 24.62 (3).”.

16 **22.** At the appropriate places, insert all of the following:

17 “**SECTION 98.** 79.10 (7m) (a) 1. b. of the statutes is amended to read:

18 79.10 (7m) (a) 1. b. In the 2024-25 fiscal year, on the 4th Monday in July 2024,
19 the department of administration shall distribute \$940,000,000 related to the 2023
20 property tax levies. In the 2024-25 fiscal year, on the first Monday in May 2025, the
21 department of administration shall distribute \$335,000,000, related to the 2024
22 property tax levies.

23 d. In the 2026-27 fiscal year, on the 4th Monday in July 2026, the department

1 of administration shall distribute \$940,000,000 related to the 2025 property tax
2 levies. In the 2026-27 fiscal year, on the first Monday in May 2027, the department
3 of administration shall distribute \$584,700,000 related to the 2026 property tax
4 levies. In each fiscal year thereafter, on the 4th Monday in July, the department of
5 administration shall distribute \$940,000,000 related to the property tax levies of
6 the calendar year immediately preceding the distribution. In each fiscal year
7 thereafter, on the first Monday in May, the department of administration shall
8 distribute ~~\$335,000,000~~ \$584,700,000 related to the property tax levies of the
9 calendar year immediately preceding the distribution.

10 **SECTION 99.** 79.10 (7m) (a) 1. c. of the statutes is created to read:

11 79.10 (7m) (a) 1. c. In the 2025-26 fiscal year, on the 4th Monday in July 2025,
12 the department of administration shall distribute \$940,000,000 related to the 2024
13 property tax levies. In the 2025-26 fiscal year, on the first Monday in May 2026, the
14 department of administration shall distribute \$460,300,000 related to the 2025
15 property tax levies.

16 **SECTION 100.** 79.14 of the statutes is amended to read:

17 **79.14 School levy tax credit.** The appropriation under s. 20.835 (3) (b), for
18 the payments under s. 79.10 (4), is \$319,305,000 in 1994, 1995, and 1996;
19 \$469,305,000 beginning in 1997 and ending in 2006; \$593,050,000 in 2007;
20 \$672,400,000 in 2008; \$747,400,000 in 2009; \$732,550,000 in 2010, 2011, and 2012;
21 \$747,400,000 in 2013, 2014, and 2015; \$853,000,000 in 2016 and 2017; and
22 \$940,000,000 in 2018, 2019, 2020, 2021, and 2022; and in fiscal year 2023-24,
23 \$1,195,000,000. ~~Beginning in~~ In fiscal year 2024-25, the appropriation under s.
24 20.835 (3) (b), for the payments under s. 79.10 (4), is \$1,275,000,000; in fiscal year

1 2025-26, the appropriation is \$1,400,300,000; and in fiscal year 2026-27, the
2 appropriation is \$1,524,700,000.”.

3 **23.** At the appropriate places, insert all of the following:

4 **“SECTION 9201. Fiscal changes; Administration.**

5 (1) TAX APPEALS COMMISSION FUNDING.

6 (a) *Adjudication of tax appeals.* In the schedule under s. 20.005 (3) for the
7 appropriation to the department of administration under s. 20.505 (4) (a), the dollar
8 amount for fiscal year 2025-26 is increased by \$304,500 and the dollar amount for
9 fiscal year 2026-27 is increased by \$32,100 to implement and maintain an electronic
10 filing and payment system.

11 (b) *Program services.* In the schedule under s. 20.005 (3) for the appropriation
12 to the department of administration under s. 20.505 (4) (h), the dollar amount for
13 fiscal year 2025-26 is increased by \$6,000 and the dollar amount for fiscal year
14 2026-27 is increased by \$6,000 to enable the tax appeals commission to use
15 additional revenue generated from increased filing fees to support its operations.”.

16 (END)