



State of Wisconsin
2023 - 2024 LEGISLATURE

LRB-1514/P2
JK&KP:cde&kms

DOA:.....Quinn, BB0355 - Flood Insurance Premium Tax Credit

FOR 2023-2025 BUDGET -- NOT READY FOR INTRODUCTION

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

Analysis by the Legislative Reference Bureau

TAXATION

INCOME TAXATION

Flood insurance premiums

This bill creates a nonrefundable individual income tax credit for flood insurance premiums. The credit is equal to 10 percent of the amount of the premiums that an individual paid in the taxable year for flood insurance, but the amount of the claim may not exceed \$60 in any taxable year. Because the credit is nonrefundable, it may be claimed only up to the amount of the individual's tax liability.

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. 71.07 (8s) of the statutes is created to read:

71.07 (8s) FLOOD INSURANCE PREMIUMS CREDIT. (a) *Definitions.* In this subsection:

1. "Claimant" means an individual who files a claim under this subsection.

2. "Flood insurance" means a flood insurance policy that covers the principal dwelling of the claimant.

(b) *Filing claims.* Subject to the limitations provided in this subsection, for taxable years beginning after December 31, 2022, a claimant may claim as a credit against the tax imposed under s. 71.02, up to the amount of those taxes, an amount equal to 10 percent of the amount of the premiums the claimant paid in the taxable year for flood insurance, but the amount of the credit may not exceed \$60 in any taxable year.

(c) *Limitations.* 1. No credit may be claimed under this subsection by a part-year resident or a nonresident of this state.

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

3. 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.

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

SECTION 2. 71.10 (4) (hg) of the statutes is created to read:

71.10 (4) (hg) Flood insurance premiums credit under s. 71.07 (8s).

(END)