



## WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

**2005 Wisconsin Act 474**  
[2005 Assembly Bill 1163]

**Corporate Shareholder Liability**

*Current law* provides that a shareholder in a corporation organized under Wisconsin law may be held liable for any amount owed by the corporation to its employees for up to six months of work per employee. A shareholder's personal liability is limited to the value of the shares in the corporation that are owned by the shareholder.

*2005 Wisconsin Act 474* eliminates these provisions of current law, thus eliminating all shareholder liability.

*Effective Date:* June 14, 2006.

*Prepared by:* Dan Schmidt, Senior Analyst

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DWS:wu

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This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature's Web site at: <http://www.legis.state.wi.us/>.