



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2005 Assembly Bill 482

**Assembly
Amendments 1 and 2**

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2005 Assembly Bill 482 does the following:

- Clarifies current law by specifying that a property owner may appeal the determination of a property tax assessment by the board of assessors to the board of review by providing a notice of appeal to the commissioner of assessments within 15 days from the date that the board of assessors issues its determination.
- Extends the deadline for payment of income taxes to April 30 if a person files an electronic return.
- Authorizes the Department of Revenue (DOR) to reduce taxes, costs, penalties, and interest that are due from a taxpayer, regardless of whether the taxes are delinquent (currently, DOR may reduce the amount of delinquent taxes owed).
- Corrects an outdated reference to the Internal Revenue Code sections that relate to a spouse's tax liability for a joint income tax return; also, requires a spouse to apply for relief from tax liability within two years from the date on which DOR begins collections activities on the spouse's tax liability or within two years from the effective date of the provision, whichever is later.
- Eliminates the requirement that nonresidents and part-year residents prorate the angel investment credit, and requires the Department of Commerce to promulgate rules to limit the aggregate amount of angel investment credits to \$3 million per calendar year and the aggregate amount of early stage seed investment credits to \$3.5 million per calendar year.
- Clarifies that a qualified retirement fund for federal income tax purposes is a qualified retirement fund for state income tax purposes.
- Requires a seller who receives any refund of sales or use taxes, or who collects these taxes erroneously, to submit the refund of taxes to the buyer, or to DOR if the buyer cannot be

located, within 90 days after receiving a refund or after discovering that the seller has collected taxes erroneously. Any portion of a refund or taxes not submitted to the buyer, or to DOR if the buyer cannot be located, within that 90-day period, must be submitted to DOR, along with a penalty.

- Provides that using a delivery service that has been approved by the IRS qualifies as mailing a tax-related document or payment under state law.
- Provides that a person may appeal DOR's redetermination of an earned income tax credit without paying the required \$25 filing fee.
- Eliminates the requirement that the DOR audit the records of persons who perform emissions inspections under a contract with the Department of Transportation.

Assembly Amendment 1

Assembly Amendment 1 makes the following changes to the bill:

- Eliminates the provision that the deadline for filing an electronic tax return is April 30th. The amendment restores the filing deadline date to April 15th, the deadline for filing other returns.
- Modifies the provision regarding submittal of erroneously collected sales and use taxes, to provide that a seller who collects amounts as taxes erroneously from buyers but who does not remit such amounts to the state, must submit the taxes and interest to the buyers from whom the taxes were collected.
- Changes the effective date of the provisions regarding appeals of board of assessors' decisions, from January 1, 2005 to January 1, 2006.

Assembly Amendment 1 to Assembly Amendment 1 makes a technical correction to a cross-reference in Assembly Amendment 1.

Assembly Amendment 2

Assembly Amendment 2 modifies the provisions in the bill regarding extension of time to file an income tax return for persons who are participating in Operation Iraqi Freedom or a successor operation, or for persons who qualify for a federal extension of time to file under federal statute. Assembly Amendment 2 deletes a current reference to taxable years beginning before January 1, 2005. This enables eligible persons to continue to get an extension of time to file after that taxable year.

Legislative History

On August 26, 2005, the Assembly Committee on Ways and Means took executive action on the bill. The committee recommended adoption of Assembly Amendment 1, as amended by Assembly Amendment 1, by a vote of Ayes, 12; Noes, 0. The committee recommended adoption of Assembly Amendment 2 by a vote of Ayes, 12; Noes, 0. The committee recommended passage of the bill, as amended, by a vote of Ayes, 12; Noes, 0.