



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2013 Assembly Bill 107

**Assembly Substitute
Amendment 1**

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Current law requires an entertainer performing in this state who is paid more than \$3,200 under an entertainment contract in a taxable year to file a bond, in the amount of 6% of the total contract price, with the Department of Revenue. The filing of the bond is to ensure that the entertainer will pay all required taxes to the state. The bond is released once the entertainer pays all required taxes that are due.

2013 Assembly Bill 107 raises the earnings threshold for which a bond is required to be posted to \$7,000.

Assembly Substitute Amendment 1 to the bill retains the bill's new \$7,000 contract earnings threshold, but provides, in addition, that the total contract price may be reduced by travel expenses made pursuant to an accountable plan under U.S. Treasury Regulations. Travel expenses are defined as amounts paid to or on behalf of an entertainer and directly related to the entertainer's performance in Wisconsin.

The bill's provisions would first apply to taxable years beginning January 1, 2014.

Bill History

On August 27, 2013, the Assembly Committee on Consumer Protection recommended adoption of Assembly Substitute Amendment 1, and passage of the bill, as amended, both by votes of Ayes, 9; Noes, 0.

LR:ksm