



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-2452/1
MES:emw

2017 SENATE BILL 138

March 29, 2017 - Introduced by Senators DARLING, WANGGAARD, ERPENBACH and MOULTON, cosponsored by Representatives BALLWEG, ROHRKASTE, BILLINGS, BOWEN, E. BROOKS, FELZKOWSKI, HORLACHER, JACQUE, KLEEFISCH, KREMER, KULP, LOUDENBECK, NEYLON, QUINN, RIPP, SINICKI, SKOWRONSKI, THIESFELDT, TUSLER, ALLEN and VRUWINK. Referred to Committee on Revenue, Financial Institutions and Rural Issues.

1 **AN ACT** *to amend* 71.08 (1) (intro.) and 71.10 (4) (i); and *to create* 20.835 (2) (cc)
2 and 71.07 (8n) of the statutes; **relating to:** creating a refundable individual
3 income tax credit for the parent of a stillbirth.

Analysis by the Legislative Reference Bureau

This bill creates a refundable individual income tax credit of \$2,000 that may be claimed by the parent of a stillbirth. The bill defines stillbirth as a birth that occurs in this state that results in a stillbirth for which a fetal death report is required. Because the credit is refundable, if the amount of the credit for which the individual is eligible exceeds his or her tax liability, the difference will be refunded to the claimant.

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:

4 **SECTION 1.** 20.835 (2) (cc) of the statutes is created to read:
5 20.835 (2) (cc) *Stillbirth tax credit.* A sum sufficient to pay the claims approved
6 under s. 71.07 (8n).

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1 **SECTION 2.** 71.07 (8n) of the statutes is created to read:

2 71.07 **(8n)** STILLBIRTH TAX CREDIT. (a) *Definitions.* In this subsection:

3 1. "Claimant" means the parent of a stillbirth who files a claim under this
4 subsection.

5 2. "Stillbirth" means a birth that occurs in this state that results in a stillbirth
6 for which a fetal death report is required under s. 69.18 (1) (e) 1.

7 (b) *Filing claims.* Subject to the limitations provided in this subsection, a
8 claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 an
9 amount of \$2,000 in the taxable year in which the stillbirth occurs, and if the
10 allowable amount of the claim exceeds the income taxes otherwise due on the
11 claimant's income, the amount of the claim not used as an offset against those taxes
12 shall be certified by the department of revenue to the department of administration
13 for payment to the claimant by check, share draft, or other draft drawn from the
14 appropriation account under s. 20.835 (2) (cc).

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

17 2. No credit may be allowed under this subsection for a taxable year covering
18 a period of less than 12 months, except for a taxable year closed by reason of the death
19 of the taxpayer.

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

22 4. If a married couple files a joint return, the maximum amount that may be
23 claimed by the couple under this subsection is \$2,000 for each stillbirth.

24 5. If a married couple files a separate return, the maximum amount that may
25 be claimed by each spouse under this subsection is \$1,000 for each stillbirth.

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

3 **SECTION 3.** 71.08 (1) (intro.) of the statutes is amended to read:

4 71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married
5 couple filing jointly, trust, or estate under s. 71.02, not considering the credits under
6 ss. 71.07 (1), (2dx), (2dy), (3m), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s), (3t), (3w), (3y),
7 (4k), (5b), (5d), (5e), (5f), (5h), (5i), (5j), (5n), (6), (6e), (8n), (8r), (9e), (9m), and (9r),
8 71.28 (1dx), (1dy), (2m), (3), (3n), (3t), (3w), and (3y), 71.47 (1dx), (1dy), (2m), (3), (3n),
9 (3t), (3w), and (3y), 71.57 to 71.61, and 71.613 and subch. VIII and payments to other
10 states under s. 71.07 (7), is less than the tax under this section, there is imposed on
11 that natural person, married couple filing jointly, trust or estate, instead of the tax
12 under s. 71.02, an alternative minimum tax computed as follows:

13 **SECTION 4.** 71.10 (4) (i) of the statutes is amended to read:

14 71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland
15 preservation credit under ss. 71.57 to 71.61, farmland preservation credit, 2010 and
16 beyond under s. 71.613, homestead credit under subch. VIII, farmland tax relief
17 credit under s. 71.07 (3m), dairy manufacturing facility investment credit under s.
18 71.07 (3p), jobs tax credit under s. 71.07 (3q), meat processing facility investment
19 credit under s. 71.07 (3r), woody biomass harvesting and processing credit under s.
20 71.07 (3rm), food processing plant and food warehouse investment credit under s.
21 71.07 (3rn), business development credit under s. 71.07 (3y), film production services
22 credit under s. 71.07 (5f), film production company investment credit under s. 71.07
23 (5h), stillbirth tax credit under s. 71.07 (8n), veterans and surviving spouses property
24 tax credit under s. 71.07 (6e), enterprise zone jobs credit under s. 71.07 (3w),
25 beginning farmer and farm asset owner tax credit under s. 71.07 (8r), earned income

SENATE BILL 138**SECTION 4**

1 tax credit under s. 71.07 (9e), estimated tax payments under s. 71.09, and taxes
2 withheld under subch. X.

3 **SECTION 5. Initial applicability.**

4 (1) This act first applies to taxable years beginning on January 1 of the year
5 in which this subsection takes effect, except that if this subsection takes effect after
6 July 31, this act first applies to taxable years beginning on January 1 of the year
7 following the year in which this subsection takes effect.

8 (END)