



State of Wisconsin
2025 - 2026 LEGISLATURE

LRB-2503/1

KP:wlj

2025 SENATE BILL 176

April 3, 2025 - Introduced by Senators QUINN, BRADLEY, FEYEN, JAMES, KEYESKI, PFAFF, RATCLIFF, STAFSHOLT, TESTIN, TOMCZYK and WIMBERGER, cosponsored by Representatives SUMMERFIELD, STEFFEN, GUSTAFSON, ARMSTRONG, CALLAHAN, DITTRICH, GREEN, B. JACOBSON, J. JACOBSON, JOHNSON, KAUFERT, KITCHENS, KREIBICH, MOSES, MURSAU, NOVAK, O'CONNOR, SUBECK, SWEARINGEN, TUCKER, UDELL, VANDERMEER and WITTKÉ. Referred to Committee on Agriculture and Revenue.

1 **AN ACT to create** 71.05 (1) (j), 71.26 (1) (j), 71.34 (1k) (q) and 71.45 (1) (dp) of
2 the statutes; **relating to:** an income and franchise tax exemption for
3 broadband expansion grants and for federal high-cost program funding for
4 broadband expansion.

Analysis by the Legislative Reference Bureau

This bill exempts from state income and franchise taxes income received in the form of a grant issued by this state; a city, village, town, or county of this state; a tribal government in this state; or the federal government for broadband expansion in this state. The bill also exempts from income and franchise taxes income received in the form of funding from the federal government for any high-cost universal service funding for broadband expansion. Current law provides an income and franchise tax exemption for income received in the form of allocations issued by this state with moneys received from the federal coronavirus relief fund to be used for broadband expansion. The bill prohibits claiming the exemptions under the bill and the exemption under current law for the same grant.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

SENATE BILL 176**SECTION 1**

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. 71.05 (1) (j) of the statutes is created to read:

71.05 (1) (j) *Grants and high-cost universal service funding for broadband expansion.* 1. Income received in the form of a grant issued by this state; a political subdivision, as defined in s. 16.99 (3d), of this state; a tribal government in this state; or the federal government; or an authorized representative of the state, political subdivision, tribal government, or federal government; for broadband expansion in this state.

2. Income received in the form of funding from any high-cost program established by the federal communications commission under 47 USC 254, and the regulations issued under that section, for broadband expansion in this state.

3. No person may claim the exemptions under this paragraph for amounts claimed as an exemption under par. (h) 1.

SECTION 2. 71.26 (1) (j) of the statutes is created to read:

71.26 (1) (j) *Grants and high-cost universal service funding for broadband expansion.* 1. Income received in the form of a grant issued by this state; a political subdivision, as defined in s. 16.99 (3d), of this state; a tribal government in this state; or the federal government; or an authorized representative of the state, political subdivision, tribal government, or federal government; for broadband expansion in this state.

2. Income received in the form of funding from any high-cost program

SENATE BILL 176**SECTION 2**

1 established by the federal communications commission under 47 USC 254, and the
2 regulations issued under that section, for broadband expansion in this state.

3 3. No person may claim the exemptions under this paragraph for amounts
4 claimed as an exemption under sub. (3) (ag) 2. a.

5 **SECTION 3.** 71.34 (1k) (q) of the statutes is created to read:

6 71.34 (1k) (q) 1. A deduction shall be allowed for the amount of income
7 received in the form of a grant issued by this state; a political subdivision, as
8 defined in s. 16.99 (3d), of this state; a tribal government in this state; or the federal
9 government; or an authorized representative of the state, political subdivision,
10 tribal government, or federal government; for broadband expansion in this state.

11 2. A deduction shall be allowed for the amount of income received in the form
12 of funding from any high-cost program established by the federal communications
13 commission under 47 USC 254, and the regulations issued under that section, for
14 broadband expansion in this state.

15 3. No person may claim the deductions under this paragraph for amounts
16 claimed as an exemption under par. (af) 1.

17 **SECTION 4.** 71.45 (1) (dp) of the statutes is created to read:

18 71.45 (1) (dp) 1. Income received in the form of a grant issued by this state; a
19 political subdivision, as defined in s. 16.99 (3d), of this state; a tribal government in
20 this state; or the federal government; or an authorized representative of the state,
21 political subdivision, tribal government, or federal government; for broadband
22 expansion in this state.

23 2. Income received in the form of funding from any high-cost program

SENATE BILL 176**SECTION 4**

1 established by the federal communications commission under 47 USC 254, and the
2 regulations issued under that section, for broadband expansion in this state.

3 3. No person may claim the exemptions under this paragraph for amounts
4 claimed as an exemption under par. (d) 1.

5 **SECTION 5. Initial applicability.**

6 (1) GRANTS AND HIGH-COST PROGRAM FUNDING FOR BROADBAND EXPANSION.

7 This act first applies to taxable years beginning after December 31, 2024.

8 **(END)**