



2025 SENATE BILL 20

February 5, 2025 - Introduced by Senators JACQUE and SPREITZER, cosponsored by Representatives TITTL, ALLEN, ANDERSON, ARMSTRONG, DITTRICH, GOODWIN, GUNDRUM, KREIBICH, MURSAU, PIWOWARCZYK, SNODGRASS, STUBBS, SUBECK, TAYLOR, VINING, WICHGERS and SINICKI. Referred to Committee on Agriculture and Revenue.

1 **AN ACT** *to amend* 71.07 (9e) (b); *to create* 71.07 (9e) (ar) of the statutes;
2 **relating to:** allowing certain married persons to claim the earned income tax
3 credit when filing a separate return.

Analysis by the Legislative Reference Bureau

Under current law, the Wisconsin earned income tax credit is equal to a percentage of the federal earned income tax credit, and subject to certain exceptions, a married claimant must file a joint return to claim both the Wisconsin EITC and the federal EITC. This bill allows a married claimant to file a separate return to claim the Wisconsin EITC if the claimant lives apart from the claimant's spouse when filing the return and is unable to file a joint return because of domestic abuse. The bill defines "domestic abuse" as 1) intentional infliction of physical pain, injury, or illness; 2) intentional impairment of physical condition; 3) first-, second-, or third-degree sexual assault; or 4) a physical act that may cause reasonable fear of imminent engagement in any of the conduct listed above. Under the bill, the amount of the Wisconsin EITC is equal to the amount that the claimant would be eligible to claim if the claimant were considered unmarried.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

SENATE BILL 20**SECTION 1**

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 71.07 (9e) (ar) of the statutes is created to read:

71.07 **(9e)** (ar) For taxable years beginning after December 31, 2024, a married person who lives apart from the person's spouse when filing a separate return and is unable to file a joint return because of domestic abuse, as defined in s. 968.075 (1) (a), may credit against the tax imposed under s. 71.02 an amount equal to one of the following percentages of the federal basic earned income credit for which the person would be eligible for the taxable year under section 32 of the Internal Revenue Code if the person were considered unmarried:

1. If the person has one qualifying child who has the same principal place of abode as the person, 4 percent.

2. If the person has 2 qualifying children who have the same principal place of abode as the person, 11 percent.

3. If the person has 3 or more qualifying children who have the same principal place of abode as the person, 34 percent.

SECTION 2. 71.07 (9e) (b) of the statutes is amended to read:

71.07 **(9e)** (b) No credit may be allowed under ~~this subsection~~ par. (aj) to married persons, except married persons living apart who are treated as single under section 7703 (b) of the internal revenue code, if the husband and wife report their income on separate income tax returns for the taxable year.

(END)