



# ROB STAFSHOLT

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DATE: October 10, 2019  
RE: **Testimony on 2019 Senate Bill 45**  
TO: Members of the Senate Committee on Agriculture, Revenue, and Financial Institutions  
FROM: Representative Rob Stafsholt

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Thank you Chairman Marklein and members of the Senate Committee on Agriculture, Revenue, and Financial Institutions for hearing Senate bill 45 relating to the creation of an individual income tax deduction for tuition paid for apprenticeship programs.

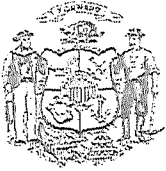
Currently, all tuition for schooling programs that are approved by the Department of Workforce Development, qualify as tax deductible. However, apprenticeship programs are not included. This bill creates a tax deduction for individuals participating in apprenticeship programs and levels the playing field for those choosing to enter the trades. After touring and speaking with many businesses in my area, it is obvious there is a serious issue with finding people who are willing to work in the trades. We must create a fair incentive to attract young people into these fields of work.

Apprenticeship programs are part of Wisconsin's solid foundation of hard-working Americans, and they are the gateway to many family-sustaining careers across the state, particularly in rural Wisconsin. People participating in educational apprenticeship programs should be eligible for the same tax deductions that students in other types of education receive. By ensuring that all educational opportunities are tax deductible, we will help support the effort to get more young people into solid, family-supporting careers in rural areas.

Since taking office, I have been a member of the Rural Wisconsin Initiative. It has been a pleasure to work with my fellow colleagues to do my part in improving educational tools, workforce development, and the lives of people from my neck of the woods, rural Wisconsin. It is bills like this that can have a real impact on small businesses and the lives of their current and potential employees.

A similar bill was introduced late last session. The bill passed unanimously in the Assembly, but did not receive a vote in the Senate. To ensure passage this session, we have introduced an amendment to SB 45, which eliminates the corporate and franchise tax credit portion of the bill. The Substitute Amendment introduced by Senator Jacque and myself, targets individuals who pay for their own apprenticeship program.

Again, thank you for allowing me to testify on Senate Bill 45. I would appreciate your support.



**ANDRÉ JACQUE**

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*Testimony before the Senate Committee on Agriculture, Revenue and Financial Institutions  
State Senator André Jacqué  
October 10, 2019*

Chairman Marklein and Colleagues,

Thank you for the opportunity to testify before you today in support of Senate Bill 45, bi-partisan legislation that Rep. Stafsholt and I have introduced to create an apprenticeship tuition tax deduction.

Currently, all tuition for schooling programs that are approved by the Department of Workforce Development qualifies as tax deductible, but apprenticeship programs are not included. Senate Bill 45 levels the playing field by creating an individual income tax deduction for tuition expenses paid by an individual for an individual to participate in an apprenticeship program that is approved by the Department of Workforce Development. If the deduction is claimed by an individual, the participant in the apprenticeship program must be the individual or his or her dependent.

We have introduced an amendment that we believe will take away the concerns of stakeholder groups regarding costs and concerns over establishing a corporate tax credit. The amendment focuses the scope of the legislation specifically to the area of greatest need – student tuition.

Senate Bill 45 is identical to 2017 AB 734 with the exception of the corporate tax credit being removed. 2017 AB 734 passed the Assembly last session by voice vote with the support of a broad coalition. This included the Associated Builders and Contractors, Construction Business Group, International Union of Operating Engineers Local #139, Mechanical Contractors Association of Wisconsin, MMAC, Wisconsin Economic Development Association, and the Wisconsin Pipe Trades Association.

Thank you for your consideration of Senate Bill 45.