



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-0685/P1
MES:kjf

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

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 an individual income tax
3 credit for certain expenses incurred by an emergency responder.

Analysis by the Legislative Reference Bureau

This bill creates a refundable individual income tax credit for volunteer emergency responders for unreimbursed expenses for gear and equipment purchased by the claimant for his or her use while serving as an emergency responder. The bill defines emergency responder as a volunteer first responder, fire fighter, or emergency medical technician. The credit may also be claimed by such an individual for his or her mileage costs to drive in his or her personal vehicle to attend training necessary to the claimant's service as an emergency responder. The maximum credit that a claimant may claim each year is \$400. The credit may not be claimed by nonresidents or part-year residents of this state. Because the credit is refundable, if the amount of the credit for which the claimant is eligible exceeds his or her tax liability, the difference will be refunded to the claimant by check.

For further information see the ***state and local*** 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:

1 20.835 (2) (cc) *Emergency responder reimbursement credit*. A sum sufficient
2 to pay the claims approved under s. 71.07 (8n).

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

4 71.07 (8n) EMERGENCY RESPONDER CREDIT. (a) *Definitions*. In this subsection:

5 1. "Claimant" means an emergency responder who files a claim under this
6 subsection.

7 2. "Emergency responder" means an individual who serves in this state as a
8 volunteer first responder, as defined under s. 256.01 (9); a volunteer fire fighter; or
9 a volunteer emergency medical technician, as defined in s. 256.01 (5).

10 3. "Expenses" means unreimbursed expenses incurred by an emergency
11 responder for gear and equipment that the individual purchases, in the year to which
12 the claim relates, primarily for his or her use while he or she is serving as an
13 emergency responder.

14 4. "Mileage" means the number of miles traveled by an emergency responder,
15 in his or her personal vehicle in the year to which the claim relates, to attend training
16 related to his or service as an emergency responder, multiplied by the mileage rate.

17 5. "Mileage rate" means the standard mileage reimbursement rate for
18 business, set by the Internal Revenue Service, that applies under federal law for the
19 taxable year to which the claim relates.

20 (b) *Filing claims*. Subject to the limitations provided in this subsection, a
21 claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 an
22 amount equal to sum of the claimant's expenses and mileage, and if the allowable
23 amount of the claim exceeds the income taxes otherwise due on the claimant's
24 income, the amount of the claim not used as an offset against those taxes shall be
25 certified by the department of revenue to the department of administration for

1 payment to the claimant by check, share draft, or other draft drawn from the
2 appropriation account under s. 20.835 (2) (cc).

3 (c) *Limitations.* 1. The maximum credit that a claimant may claim each year
4 under this subsection is \$400.

5 2. No credit may be claimed under this subsection by a part-year resident or
6 a nonresident of this state.

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

9 4. No credit may be allowed under this subsection for a taxable year covering
10 a period of less than 12 months, except for a taxable year closed by reason of the death
11 of the taxpayer.

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

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

15 71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married
16 couple filing jointly, trust, or estate under s. 71.02, not considering the credits under
17 ss. 71.07 (1), (2dx), (2dy), (3m), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s), (3t), (3w), (3y),
18 (4k), (5b), (5d), (5e), (5f), (5h), (5i), (5j), (5n), (6), (6e), (8n), (8r), (9e), (9m), and (9r),
19 71.28 (1dx), (1dy), (2m), (3), (3n), (3t), (3w), and (3y), 71.47 (1dx), (1dy), (2m), (3), (3n),
20 (3t), (3w), and (3y), 71.57 to 71.61, and 71.613 and subch. VIII and payments to other
21 states under s. 71.07 (7), is less than the tax under this section, there is imposed on
22 that natural person, married couple filing jointly, trust or estate, instead of the tax
23 under s. 71.02, an alternative minimum tax computed as follows:

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

