
Wisconsin Legislative Council

AMENDMENT MEMO



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2019 Assembly Bill 753

Assembly Amendments 1 and 2

2019 ASSEMBLY BILL 753

2019 Assembly Bill 753 makes several changes to the tax treatment of tax option corporations that elect to pay income or franchise tax at the entity level including:

- Exclusion of 30 percent of gains realized from the sale of assets held for more than one year or from the sale of assets acquired from a decedent and 60 percent of gains realized from the sale of farm assets held for more than one year or from the sale of farm assets acquired from a decedent.
- Limiting deduction of net capital losses to \$500 per year.
- Providing that the exception from underpayment of estimated taxes for certain corporations does not apply to tax option corporations electing to pay tax at the entity level.
- Providing that tax option corporations electing to pay tax at the entity level are subject to the computation of estimated tax payments applicable to individual taxpayers with net income less than \$250,000.

Assembly Amendment 2

Assembly Amendment 2 directs the Department of Revenue to address errors in distribution of 2019 personal property aid to correct underpayments by increasing the subsequent year's distribution, but to make no reductions to the subsequent year's distribution for overpayments.

Assembly Amendment 3

Under **current law**, a person generally may not distribute mixed fertilizer in which the sum of the guarantees for nitrogen, available phosphate, and soluble potash totals less than 24 percent. **Assembly Amendment 3** creates an exception from this prohibition for a mixed fertilizer that contains solid or liquid digestates produced by an anaerobic digester.

BILL HISTORY

2019 Assembly Bill 753 was introduced by Representatives Macco and Wittke on January 17, 2020. On February 20, 2020, Representatives Tusler and Steffen offered Assembly Amendment 2, and Representative Krug offered Assembly Amendment 3. On the same day, the Assembly adopted Assembly Amendments 2 and 3, and passed Assembly Bill 753, on successive voice votes.

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