
Wisconsin Legislative Council

AMENDMENT MEMO



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2021 Senate Bill 339

**Senate
Amendment 1**

2021 SENATE BILL 339

Senate Bill 339 increases the maximum amount that an individual may claim as a net capital loss offset against ordinary income from \$500 to \$3,000 (\$1,500 for married individuals who file separately) for the purposes of Wisconsin income tax. This would result in the Wisconsin maximum net capital loss offset matching the amounts permitted under federal income tax law.

SENATE AMENDMENT 1

Senate Amendment 1 to Senate Bill 339 clarifies that the \$500 limit under current law would apply for taxable years **beginning** before January 1, 2023, rather than for taxable years **ending** before January 1, 2023. Thus, the \$3,000 maximum will first apply to tax year 2023.

Senate Amendment 1 also extends the increased maximum net capital loss offset to tax option corporations (S corporations) who elect to pay franchise or income tax at the entity level under s. 71.365 (4m), Stats.

BILL HISTORY

On October 10, 2021, the Senate Committee on Financial Institutions and Revenue recommended adoption of Senate Amendment 1 and passage of Senate Bill 339, as amended, both by votes of Ayes, 4; Noes, 1. Senate Bill 339 was re-referred to the Joint Committee on Finance on January 28, 2022. On February 9, 2022, the Joint Committee on Finance recommended adoption of Senate Amendment 1 and passage of Senate Bill 339, as amended, both by votes of Ayes, 15; Noes, 0.

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