



1995 ASSEMBLY BILL 366

May 10, 1995 – Introduced by Representatives GROTHMAN, AINSWORTH, BALDUS, BLACK, BOCK, COLEMAN, CULLEN, DUFF, FREESE, GROBSCHMIDT, HAHN, KAUFERT, LADWIG, LAZICH, MURAT, MUSSER, OTTE, ROBSON, RYBA, WILLIAMS, ZIEGELBAUER and OTT, cosponsored by Senator ANDREA. Referred to Committee on Ways and Means.

1 **AN ACT to amend** 71.07 (8) (b) of the statutes; **relating to:** increasing the amount
2 of the personal exemptions tax credit for certain dependents.

Analysis by the Legislative Reference Bureau

Under current law, there is a nonrefundable individual income tax credit of \$50 that may be claimed by a taxpayer for each dependent of the taxpayer. In general, “dependent” is defined, under the internal revenue code, as a child of the taxpayer who is under 19 years of age, or under 24 years of age if he or she is a student. “Dependent” also includes, in general, certain other persons who are related to the taxpayer, who derive over half of their support from the taxpayer and whose gross income in the year to which the claim relates is less than the federal exemption amount of \$2,000.

This bill increases the amount of the credit to \$250 for each dependent of the taxpayer and first applies to taxable years beginning on January 1, 1998.

For further information see the *state* 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:

3 **SECTION 1.** 71.07 (8) (b) of the statutes is amended to read:

4 71.07 (8) (b) An exemption of \$50 \$250 for each person for whom the taxpayer
5 is entitled to an exemption for the taxable year under section 151 (c) of the federal
6 internal revenue code.

7 **SECTION 2. Initial applicability.**

1 (1) This act first applies to taxable years beginning on January 1, 1998.

2 (END)