



1999 SENATE BILL 192

June 10, 1999 - Introduced by Senators DARLING, PANZER, ZIEN, ROBSON, SCHULTZ, DRZEWIECKI and ROESSLER, cosponsored by Representatives SERATTI, STONE, SUDER, GUNDRUM, PORTER, NASS, PETROWSKI, STASKUNAS, GUNDERSON, OWENS, RHOADES, PLALE, MUSSER, HAHN, GRONEMUS, BRANDEMUEHL, ALBERS, GOETSCH, MEYER, BLACK, ZIEGELBAUER, HASENOHRL and MEYERHOFER. Referred to Committee on Economic Development, Housing and Government Operations.

1 **AN ACT to amend** 71.08 (1) (intro.); and **to create** 71.07 (6m) and 71.10 (4) (cm)
2 of the statutes; **relating to:** creating a nonrefundable income tax credit for
3 individuals who care for elderly relatives.

Analysis by the Legislative Reference Bureau

This bill creates a nonrefundable individual income tax credit that may be claimed by an individual who provides more than 50% of the support to an elderly relative. Under the bill, an "elderly relative" is an individual who is at least 60 years old and is related to the claimant as a parent, grandparent, brother, sister, aunt, uncle or first cousin. The elderly relative must live with the claimant for the entire taxable year to which the claim relates. The credit may be claimed for up to \$1,000 of costs incurred by the claimant in providing support to his or her elderly relative. Because the credit is nonrefundable, it is available only up to the amount of the claimant's tax liability.

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:

4 **SECTION 1.** 71.07 (6m) of the statutes is created to read:
5 71.07 (**6m**) IN-HOME CARE TAX CREDIT. (a) *Definitions.* In this subsection:

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1 1. “Claimant” means an individual who provides more than 50% of the support
2 for an elderly relative in the taxable year to which a claim under this subsection
3 relates.

4 2. “Elderly relative” means an individual who is at least 60 years old in the year
5 to which a claim under this subsection relates; is the claimant’s parent, grandparent,
6 brother, sister, aunt, uncle or first cousin; and is related to the claimant by blood,
7 marriage or adoption.

8 (b) *Filing claims.* Subject to the limitations provided in this subsection, a
9 claimant may claim as a credit against the tax imposed under s. 71.02, up to the
10 amount of those taxes, an amount up to \$1,000 each taxable year for costs incurred
11 by the claimant in providing support for an elderly relative who lives with the
12 claimant for the entire taxable year to which the claim relates.

13 (c) *Limitations.* 1. No credit may be allowed under this subsection unless it
14 is claimed within the time period under s. 71.75 (2).

15 2. For a claimant who is a nonresident or part-year resident of this state and
16 who is a single person or a married person filing a separate return, multiply the
17 credit for which the claimant is eligible under par. (b) by a fraction the numerator of
18 which is the individual’s Wisconsin adjusted gross income and the denominator of
19 which is the individual’s federal adjusted gross income. If a claimant is married and
20 files a joint return, and if the claimant or the claimant’s spouse, or both, are
21 nonresidents or part-year residents of this state, multiply the credit for which the
22 claimant is eligible under par. (b) by a fraction the numerator of which is the couple’s
23 joint Wisconsin adjusted gross income and the denominator of which is the couple’s
24 joint federal adjusted gross income.

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

3 **SECTION 2.** 71.08 (1) (intro.) of the statutes is amended to read:

4 71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married
5 couple filing jointly, trust or estate under s. 71.02, not considering the credits under
6 ss. 71.07 (1), (2dd), (2de), (2di), (2dj), (2dL), (2dr), (2ds), (2dx), (2fd), (3m), (3s), (6),
7 (6m) and (9e), 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1fd), (2m) and (3) and
8 71.47 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1fd), (2m) and (3) and subchs. VIII
9 and IX and payments to other states under s. 71.07 (7), is less than the tax under this
10 section, there is imposed on that natural person, married couple filing jointly, trust
11 or estate, instead of the tax under s. 71.02, an alternative minimum tax computed
12 as follows:

13 **SECTION 3.** 71.10 (4) (cm) of the statutes is created to read:

14 71.10 (4) (cm) The in-home care tax credit under s. 71.07 (6m).

15 **SECTION 4. Initial applicability.**

16 (1) This act first applies to taxable years beginning on January 1 of the year
17 in which this subsection takes effect, except that if this subsection takes effect after
18 July 31, this act first applies to taxable years beginning on January 1 of the year
19 following the year in which this subsection takes effect.

20 (END)