



State of Wisconsin  
2025 - 2026 LEGISLATURE

LRB-1023/P1

JK:cjs

DOA:.....Quinn, BB0094 - Internal Revenue Code update - federal Tax Cuts and Jobs Act

**FOR 2025-2027 BUDGET -- NOT READY FOR INTRODUCTION**

**AN ACT ...; relating to:** the budget.

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*Analysis by the Legislative Reference Bureau*

**TAXATION**

**INCOME TAXATION**

***Internal Revenue Code references***

This bill adopts, for state income and franchise tax purposes, certain changes made to the Internal Revenue Code by the federal Tax Cuts and Jobs Act, enacted in December 2017. This bill adopts provisions of the act related to the limitation on losses for taxpayers other than corporations; certain special rules for the taxable year of inclusion; the limitation on business-related deduction for interest; the limitation on the deduction by employers of expenses for fringe benefits; the limitation on the deduction for Federal Deposit Insurance Corporation premiums; and the limitation on excessive employee remuneration.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

**SECTION 1.** 71.98 (10) of the statutes is created to read:

71.98 (10) FEDERAL TAX CUTS AND JOBS ACT. For taxable years beginning after December 31, 2024, sections 11012, 13221, 13301, 13304 (a), (b), and (d), 13531, and 13601 of P.L. [115-97](#).

(END)