



State of Wisconsin
2025 - 2026 LEGISLATURE

LRB-1870/P1

KP:cdc

DOA:.....Quinn, BB0496 - Adoption deduction expansion

FOR 2025-2027 BUDGET -- NOT READY FOR INTRODUCTION

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

Analysis by the Legislative Reference Bureau

TAXATION

INCOME TAXATION

Increasing the adoption deduction

This bill increases to \$15,000 the maximum deduction allowed for adoption expenses for purposes of the state income tax. Under current law, a full-year resident who is an adoptive parent may deduct from taxable income up to \$5,000 of the adoption fees, court costs, or legal fees relating to the adoption of a child paid during the tax year during which the final order of adoption has been entered and paid during the prior two tax years.

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.

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

SECTION 1. 71.05 (6) (b) 22. of the statutes is renumbered 71.05 (6) (b) 22. a. and amended to read:

71.05 (6) (b) 22. a. For taxable years beginning after December 31, 1995, and before January 1, 2025, an amount up to \$5,000 that is expended during the period that consists of the year to which the claim relates and the prior 2 taxable years, by a full-year resident of this state who is an adoptive parent, for adoption fees, court costs, or legal fees relating to the adoption of a child, for whom a final order of

BILL**SECTION 1**

adoption has been entered under s. 48.91 (3) or by an order of a court of any other state, or upon registration of a foreign adoption under s. 48.97 (2), during the taxable year.

SECTION 2. 71.05 (6) (b) 22. b. of the statutes is created to read:

71.05 (6) (b) 22. b. For taxable years beginning after December 31, 2024, an amount up to \$15,000 that is expended during the period that consists of the year to which the claim relates and the prior 2 taxable years, by a full-year resident of this state who is an adoptive parent, for adoption fees, court costs, or legal fees relating to the adoption of a child, for whom a final order of adoption has been entered under s. 48.91 (3) or by an order of a court of any other state, or upon registration of a foreign adoption under s. 48.97 (2), during the taxable year.

(END)