



2019 ASSEMBLY BILL 537

October 14, 2019 - Introduced by Representatives RIEMER, HEBL, BROSTOFF, ANDERSON, SHANKLAND, POPE, MILROY, KOLSTE, DOYLE, SINICKI, CONSIDINE, OHNSTAD, SPREITZER, SARGENT, SUBECK, NEUBAUER, HESSELBEIN, C. TAYLOR and BILLINGS, cosponsored by Senators HANSEN, MILLER, JOHNSON, WIRCH, LARSON and SMITH. Referred to Committee on Ways and Means.

1 **AN ACT to amend** 71.07 (9e) (aj) (intro.); and **to create** 71.07 (9e) (ak) of the
2 statutes; **relating to:** changing the rate of the earned income tax credit.

Analysis by the Legislative Reference Bureau

Under this bill, for taxable years beginning after 2019, an individual who is eligible to claim the federal Earned Income Tax Credit may claim as a credit against Wisconsin taxes due 34 percent of the amount that the taxpayer may claim under the federal credit, regardless of the number of children the individual has. Currently, the percentage of the federal EITC that an individual may claim for Wisconsin purposes is 4 percent of the EITC if the claimant has one qualifying child with the same principal place of abode, 11 percent if the claimant has two such qualifying children, and 34 percent if the claimant has three or more such qualifying children. The credit is refundable, which means that, if the amount of credit due the claimant exceeds his or her tax liability, the difference is refunded to the claimant by check.

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 (9e) (aj) (intro.) of the statutes is amended to read:
4 71.07 (**9e**) (aj) (intro.) For taxable years beginning after December 31, 2010,
5 and before January 1, 2020, an individual may credit against the tax imposed under

ASSEMBLY BILL 537**SECTION 1**

1 s. 71.02 an amount equal to one of the following percentages of the federal basic
2 earned income credit for which the person is eligible for the taxable year under
3 section 32 (b) (1) (A) to (C) of the Internal Revenue Code:

4 **SECTION 2.** 71.07 (9e) (ak) of the statutes is created to read:

5 71.07 **(9e)** (ak) For taxable years beginning after December 31, 2019, an
6 individual may credit against the tax imposed under s. 71.02 an amount equal to 34
7 percent of the federal basic earned income credit for which the person is eligible for
8 the taxable year under section 32 (b) (1) of the Internal Revenue Code.

9 (END)