



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-0683/1
MES:amn&kjf

2017 BILL

1 **AN ACT to amend** 71.08 (1) (intro.) and 71.10 (4) (i); and **to create** 20.835 (2) (cb)
2 and 71.07 (8m) of the statutes; **relating to:** creating a refundable individual
3 income tax credit for emergency responders and making an appropriation.

Analysis by the Legislative Reference Bureau

This bill is explained in the NOTES provided by the Joint Legislative Council in the bill.

For further information see the **state and local** 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:

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This bill was prepared for the Joint Legislative Council's Study Committee on Volunteer Firefighter and Emergency Medical Technician (EMT) Shortages.

The bill creates a refundable individual income tax credit for volunteer firefighters, EMTs, and first responders. Under the bill, such volunteers may claim a credit of \$20 for each hour spent on active duty as a volunteer, in live training exercises, or in class completing coursework necessary to maintain licensure or certification. The maximum credit that a volunteer may claim each year is \$1,000. The credit may not be claimed by nonresidents or part-year residents of Wisconsin. Because the credit is refundable, if the amount of the credit for which the individual is eligible exceeds his or her tax liability, the difference will be refunded to the claimant.

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If the bill takes effect on or before July 31, the credit first applies to taxable years beginning on January 1 of that same year in which the bill takes effect. If the bill takes effect after July 31, the credit first applies in the following year.

1 **SECTION 1.** 20.835 (2) (cb) of the statutes is created to read:

2 20.835 (2) (cb) *Emergency responder credit.* A sum sufficient to pay the claims
3 approved under s. 71.07 (8m).

4 **SECTION 2.** 71.07 (8m) of the statutes is created to read:

5 71.07 (8m) EMERGENCY RESPONDER CREDIT. (a) *Definitions.* In this subsection:

6 1. "Claimant" means an emergency responder who files a claim under this
7 subsection.

8 2. "Course-work time" means the number of hours spent in a class, either in
9 person or online, by an emergency responder if the course is necessary for the
10 individual to maintain any required certifications to continue serving as an
11 emergency responder.

12 3. "Emergency responder" means an individual who serves in this state as a
13 volunteer first responder, as defined under s. 256.01 (9); a volunteer fire fighter; or
14 a volunteer emergency medical technician, as defined in s. 256.01 (5).

15 4. "Service time" means the number of hours an emergency responder spends
16 on active duty as an emergency responder, or the number of hours such an individual
17 spends in live training exercises, or both.

18 (b) *Filing claims.* Subject to the limitations provided in this subsection, a
19 claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 an
20 amount equal to \$20 multiplied by the sum of the hours of service time or
21 course-work time, or both, that the claimant spends participating in such activities
22 in the year to which the claim relates, and if the allowable amount of the claim
23 exceeds the income taxes otherwise due on the claimant's income, the amount of the

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1 claim not used as an offset against those taxes shall be certified by the department
2 of revenue to the department of administration for payment to the claimant by check,
3 share draft, or other draft drawn from the appropriation account under s. 20.835 (2)
4 (cb).

5 (c) *Limitations.* 1. The maximum credit that a claimant may claim each year
6 under this subsection is \$1,000.

7 2. No credit may be claimed under this subsection by a part-year resident or
8 a nonresident of this state.

9 3. No credit may be allowed under this subsection unless it is claimed within
10 the period specified in s. 71.75 (2).

11 4. No credit may be allowed under this subsection for a taxable year covering
12 a period of less than 12 months, except for a taxable year closed by reason of the death
13 of the taxpayer.

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

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

17 71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married
18 couple filing jointly, trust, or estate under s. 71.02, not considering the credits under
19 ss. 71.07 (1), (2dx), (2dy), (3m), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s), (3t), (3w), (3y),
20 (4k), (5b), (5d), (5e), (5f), (5h), (5i), (5j), (5n), (6), (6e), (8m), (8r), (9e), (9m), and (9r),
21 71.28 (1dx), (1dy), (2m), (3), (3n), (3t), (3w), and (3y), 71.47 (1dx), (1dy), (2m), (3), (3n),
22 (3t), (3w), and (3y), 71.57 to 71.61, and 71.613 and subch. VIII and payments to other
23 states under s. 71.07 (7), is less than the tax under this section, there is imposed on
24 that natural person, married couple filing jointly, trust or estate, instead of the tax
25 under s. 71.02, an alternative minimum tax computed as follows:

