



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-0685/1
MES:kjf

2017 BILL

1 **AN ACT** *to amend* 71.08 (1) (intro.) and 71.10 (4) (i); and *to create* 20.835 (2) (cc)
2 and 71.07 (8n) of the statutes; **relating to:** creating an individual income tax
3 credit for certain expenses incurred by an emergency responder and making an
4 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 for both of the following: (1) the amount of unreimbursed expenses incurred to purchase gear and equipment primarily for use while serving as a volunteer, and (2) the number of miles traveled in a personal vehicle to attend training related to the person's volunteer service, multiplied by a standard mileage

BILL

reimbursement rate. The maximum credit that a volunteer may claim each year is \$400. 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.

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) (cc) of the statutes is created to read:

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

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

5 71.07 (8n) 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. "Emergency responder" means an individual who serves in this state as a
9 volunteer first responder, as defined under s. 256.01 (9); a volunteer fire fighter; or
10 a volunteer emergency medical technician, as defined in s. 256.01 (5).

11 3. "Expenses" means unreimbursed expenses incurred by an emergency
12 responder for gear and equipment that the individual purchases, in the year to which
13 the claim relates, primarily for his or her use while he or she is serving as an
14 emergency responder.

15 4. "Mileage" means the number of miles traveled by an emergency responder,
16 in his or her personal vehicle in the year to which the claim relates, to attend training
17 related to his or service as an emergency responder, multiplied by the mileage rate.

18 5. "Mileage rate" means the standard mileage reimbursement rate for
19 business, set by the Internal Revenue Service, that applies under federal law for the
20 taxable year to which the claim relates.

BILL

1 (b) *Filing claims.* Subject to the limitations provided in this subsection, a
2 claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 an
3 amount equal to sum of the claimant's expenses and mileage, and if the allowable
4 amount of the claim exceeds the income taxes otherwise due on the claimant's
5 income, the amount of the claim not used as an offset against those taxes shall be
6 certified by the department of revenue to the department of administration for
7 payment to the claimant by check, share draft, or other draft drawn from the
8 appropriation account under s. 20.835 (2) (cc).

9 (c) *Limitations.* 1. The maximum credit that a claimant may claim each year
10 under this subsection is \$400.

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

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

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

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

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

21 71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married
22 couple filing jointly, trust, or estate under s. 71.02, not considering the credits under
23 ss. 71.07 (1), (2dx), (2dy), (3m), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s), (3t), (3w), (3y),
24 (4k), (5b), (5d), (5e), (5f), (5h), (5i), (5j), (5n), (6), (6e), (8n), (8r), (9e), (9m), and (9r),
25 71.28 (1dx), (1dy), (2m), (3), (3n), (3t), (3w), and (3y), 71.47 (1dx), (1dy), (2m), (3), (3n),

BILL**SECTION 3**

1 (3t), (3w), and (3y), 71.57 to 71.61, and 71.613 and subch. VIII and payments to other
2 states under s. 71.07 (7), is less than the tax under this section, there is imposed on
3 that natural person, married couple filing jointly, trust or estate, instead of the tax
4 under s. 71.02, an alternative minimum tax computed as follows:

5 **SECTION 4.** 71.10 (4) (i) of the statutes is amended to read:

6 71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland
7 preservation credit under ss. 71.57 to 71.61, farmland preservation credit, 2010 and
8 beyond under s. 71.613, homestead credit under subch. VIII, farmland tax relief
9 credit under s. 71.07 (3m), dairy manufacturing facility investment credit under s.
10 71.07 (3p), jobs tax credit under s. 71.07 (3q), meat processing facility investment
11 credit under s. 71.07 (3r), woody biomass harvesting and processing credit under s.
12 71.07 (3rm), food processing plant and food warehouse investment credit under s.
13 71.07 (3rn), business development credit under s. 71.07 (3y), film production services
14 credit under s. 71.07 (5f), film production company investment credit under s. 71.07
15 (5h), emergency responder reimbursement credit under s. 71.07 (8n), veterans and
16 surviving spouses property tax credit under s. 71.07 (6e), enterprise zone jobs credit
17 under s. 71.07 (3w), beginning farmer and farm asset owner tax credit under s. 71.07
18 (8r), earned income tax credit under s. 71.07 (9e), estimated tax payments under s.
19 71.09, and taxes withheld under subch. X.

20 **SECTION 5. Initial applicability.**

21 (1) This act first applies to taxable years beginning on January 1 of the year
22 in which this subsection takes effect, except that if this subsection takes effect after
23 July 31, this act first applies to taxable years beginning on January 1 of the year
24 following the year in which this subsection takes effect.

25 (END)