



WISCONSIN LEGISLATIVE COUNCIL STAFF MEMORANDUM

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DATE: March 2, 1999

TO: SENATOR ROBERT WIRCH, CHAIRPERSON, SENATE COMMITTEE
ON ECONOMIC DEVELOPMENT, HOUSING AND GOVERNMENT
OPERATIONS

FROM: Dan Fernbach, Senior Staff Attorney

SUBJECT: 1999 Senate Bill 49, Relating to the Individual Income Tax Filing Threshold
for Certain Married Persons

1999 Senate Bill 49 was introduced by Senator Breske on February 19, 1999 and referred to the Senate Committee on Economic Development, Housing and Government Operations. A public hearing on the bill has been scheduled for March 11, 1999.

A. PRESENT LAW

Under current law, state residents are required to file a state income tax return, depending on the person's age, filing status and gross income. The different threshold amounts that necessitate filing a state tax return are:

1. \$5,200 for a single person under age 65;
2. \$5,700 for a single person age 65 or older;
3. \$7,040 for a head of household;
4. \$7,200 for a married couple filing jointly;
5. \$7,700 for a married couple filing jointly if one spouse is 65 or older;
6. \$8,200 if both spouses are 65 or older; and
7. \$3,420 if married and filing separately.

B. PROVISIONS OF SENATE BILL 49

Senate Bill 49 amends s. 71.03 (2) (a), Stats., to adopt the threshold amount under the Internal Revenue Code for *married couples filing jointly when both are 65 years old or more*. Under the federal tax code, the threshold amounts are the sum of the personal exemption, standard deduction and additional standard deduction, if any.

For filing a 1998 return, the threshold amount is **\$14,200** for a married couple, both 65 or older, filing a joint return.

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