

### Assembly Hearing Slip

(please print plainly)

Date: Dec. 12, 2001  
 Bill No. SB139  
 Or  
 Subject \_\_\_\_\_  
 Name Sen. Darling  
 Street Address or Route Number 127 South  
 City, State, ZIP Code \_\_\_\_\_  
 E-Mail Address \_\_\_\_\_  
 Organization You Represent SELF

Speaking in Favor:	<input type="checkbox"/>
Speaking Against:	<input type="checkbox"/>
Registering in Favor:	<input checked="" type="checkbox"/>
Registering Against:	<input type="checkbox"/>
Speaking for Information Only, neither for nor against:	<input type="checkbox"/>

Please promptly return this slip to the messenger at the hearing.

Provided by:  
Assembly Sergeant at Arms  
<http://www.assemblysergeant.com>

### Assembly Hearing Slip

(please print plainly)

Date: 12-12-01  
 Bill No. AB 139  
 Or  
 Subject \_\_\_\_\_  
 Name Tom Ound - Dorc  
 Street Address or Route Number \_\_\_\_\_  
 City, State, ZIP Code \_\_\_\_\_  
 E-Mail Address \_\_\_\_\_  
 Organization You Represent \_\_\_\_\_

Speaking in Favor:	<input type="checkbox"/>
Speaking Against:	<input type="checkbox"/>
Registering in Favor:	<input type="checkbox"/>
Registering Against:	<input type="checkbox"/>
Speaking for Information Only, neither for nor against:	<input checked="" type="checkbox"/>

Please promptly return this slip to the messenger at the hearing.

Provided by:  
Assembly Sergeant at Arms  
<http://www.assemblysergeant.com>

### Assembly Hearing Slip

(please print plainly)

Date: 12.26.01  
 Bill No. AB139  
 Or  
 Subject Working Families Credit  
 Name Rep Mike Towens  
 Street Address or Route Number 310 N. Stok Capitol  
 City, State, ZIP Code Mackay  
 E-Mail Address Rep. Towens  
 Organization You Represent State Rep EO LA

Speaking in Favor:	<input checked="" type="checkbox"/>
Speaking Against:	<input type="checkbox"/>
Registering in Favor:	<input type="checkbox"/>
Registering Against:	<input type="checkbox"/>
Speaking for Information Only, neither for nor against:	<input type="checkbox"/>

Please promptly return this slip to the messenger at the hearing.

Provided by:  
Assembly Sergeant at Arms  
<http://www.assemblysergeant.com>

139

DOR - perhaps better route is

Thru std ded & pers

exemption. -> BLC the

s.d. is indexed, the

working families tax credit

is being phased out.

## RECENT HISTORICAL SUMMARY OF VARIOUS TAX CREDITS

	1986	1987	1988	1989-97	1998	1999	2000	2001
<b><u>Married Couple Credit</u></b>								
-Maximum Eligible Earnings	\$18,000	\$18,000	\$18,000	\$15,000	\$14,000	\$14,000	\$16,000	\$16,000
-Maximum % Credit Rate	2.5%	2.5%	2.5%	2.0%	2.17%	2.5%	2.75%	3.0%
-Maximum Allowable Credit	\$450	\$450	\$450	\$300	\$304	\$350	\$440	\$480
<b><u>School Property Tax Rent Credit</u></b>								
-Maximum Tax/Rent Amount Eligible								
--Single/Head of Household/Married Joint Filers	\$2,000	\$2,000	\$2,000	\$2,000	\$2,500	No Credit	\$2,500	\$2,500
--Married Separate Filers	\$1,000	\$1,000	\$1,000	\$1,000	\$1,250	Available	\$1,250	\$1,250
-Maximum % Credit Rate	7.9%	13.4%*	15.0%*	10%	14%		12%	12%
-Maximum Credit	\$158	\$268*	\$300*	\$200	\$350		\$300	\$300
--Single/Head of Household/Married Joint Filers	\$79	\$34	\$150	\$100	\$175		\$150	\$150
--Married Separate Filers								
<b><u>Working Families Credit</u></b>								
-Eligible Income Thresholds								
--Single/Head of Household/Married Joint Filers	N/A	N/A	N/A	N/A	\$9,000	\$9,000	\$9,000	\$9,000
--Married Separate Filers					\$18,000	\$18,000	\$18,000	\$18,000
-Phase-Out Ceiling								
--Single/Head of Household/Married Joint Filers	N/A	N/A	N/A	N/A	\$10,000	\$10,000	\$10,000	\$10,000
--Married Separate Filers					\$19,000	\$19,000	\$19,000	\$19,000

\* Reflects retroactive allowance passed in 1989 of an additional 6.5% maximum credit rate for 1987 and 1988, increasing the maximum allowable credit

Ways & Means Committee  
Preliminary Report on Referred Legislation  
February 20, 2001

Bill: **AB 139**  
Author: **Powers**  
Date Referred: **02-19-2001**  
Public Hearing: **N/A**  
Executive Session: **N/A**

Relating Clause: **increasing the working families tax credit.**

---

**Comments from Department of Revenue-**  
comments.

---

**Comments from the Author-**

Author's reasoning for introducing legislation:  
**At the request of a constituent who is a CPA and volunteers tax work for AARP.**

Author's intent:  
**Increase the credit.**

Does the Author want the legislation moved forward?

Yes     No

If no, do we have this in writing?

Yes     No

Is the legislation in its final form?

Yes     No

If major changes are required, the author shall prepare and introduce the necessary amendments.

---

**Comments from potentially affected parties-**  
comments.

---

**FISCAL ESTIMATE FORM**

**2001 Session**

- ORIGINAL     UPDATED  
 CORRECTED     SUPPLEMENTAL

LRB #	01-1066/1
INTRODUCTION #	AB-139
Admin. Rule #	

**Subject**  
 Increase the Working Families Tax Credit

**Fiscal Effect**

- State:**  No State Fiscal Effect  
 Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation
- |  |  |   |
|--|--|---|
| <input type="checkbox"/> Increase Existing Appropriation | <input type="checkbox"/> Increase Existing Revenues            | <input checked="" type="checkbox"/> Increase Costs - May be Possible to Absorb Within Agency's Budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Decrease Existing Appropriation | <input checked="" type="checkbox"/> Decrease Existing Revenues |   |
| <input type="checkbox"/> Create New Appropriation        | <input type="checkbox"/> Decrease Costs                        |   |

**Local:**  No Local Government Costs

- |  |   |  |
|--|---|--|
| 1. <input type="checkbox"/> Increase Costs<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Revenues<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 5. Types of Local Governmental Units Affected:<br><input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities<br><input type="checkbox"/> Counties <input type="checkbox"/> Others _____<br><input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |
| 2. <input type="checkbox"/> Decrease Costs<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 4. <input type="checkbox"/> Decrease Revenues<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |  |

- Fund Sources Affected**  
 GPR  FED  PRO  PRS  SEG  SEG-S

**Affected Ch. 20 Appropriations**

**Assumptions Used in Arriving at Fiscal Estimate:**

This bill increases the working families tax credit against individual income tax liability by increasing the income ceiling at which the credit phases out to \$0.

Currently, the credit phases out as a filer's adjusted gross income increases from \$9,000 to \$10,000 for single or married separate filers and from \$18,000 to \$19,000 for married joint filers. Under this bill, the new phase-out ranges would be from \$9,000 to \$12,000 for single or married separate filers and from \$18,000 to \$21,000 for married joint filers.

Based on a simulation using the 1999 Wisconsin Individual Income Tax Model (adjusted to reflect current law), the revenue loss associated with this bill is estimated to be \$1.7 million.

**Long-Range Fiscal Implications:**

<b>Agency/Prepared by: (Name &amp; Phone No.)</b> Wisconsin Department of Revenue Meredith Krejny, (608) 261-8984	<b>Authorized Signature/Telephone No.</b> Yeang-Eng Braun (608) 266-2700 <i>Yeang-Eng Braun</i>	<b>Date</b> 2/23/01
---	--	------------------------

**FISCAL ESTIMATE WORKSHEET**

Detailed Estimate of Annual Fiscal Effect

**2001 Session**

- ORIGINAL     UPDATED  
 CORRECTED     SUPPLEMENTAL

LRB # 01-1066/1

Admin. Rule #

INTRODUCTION # AB-139

**Subject**  
 Increase the Working Families Tax Credit

**I. One-Time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):**

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringe	\$	\$ -
(FTE Position Changes)	( FTE)	(- FTE)
State Operations-Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
<b>TOTAL State Costs by Category</b>	\$	\$ -
<b>B. State Costs by Source of Funds</b>		
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
<b>III. State Revenues - Complete this only when proposal will (increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.))</b>	<b>Increased Rev.</b>	<b>Decreased Rev.</b>
GPR Taxes	\$	\$ - 1.7 million
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
<b>TOTAL State Revenues</b>	\$	\$ - 1.7 million

**NET ANNUALIZED FISCAL IMPACT**

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ _____	\$ _____
NET CHANGE IN REVENUES	\$ - 1.7 million	\$ _____

Agency/Prepared by: (Name & Phone No.)	Authorized Signature/Telephone No.	Date
Wisconsin Department of Revenue Meredith Krejny, (608) 261-8984	Yeang-Eng Braun <i>Yeang Eng Braun</i> (608) 266-2700	2/23/01