



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2005 Assembly Bill 319

**Assembly
Amendment 1**

Memo published: May 25, 2005

Contact: Pam Shannon, Senior Staff Attorney (266-2680)

Assembly Bill 319 is the third bill [along with Assembly Bills 317 and 318] in what is being referred to as the “Veterans Relief Package.” Assembly Bill 319 creates a nonrefundable income tax credit that may be claimed by certain veterans and by the unremarried surviving spouses of certain veterans or members of the National Guard or Reserves. The credit is the amount of property taxes paid on the person’s principal dwelling in the year to which the claim relates. A nonrefundable credit may only be claimed up to the amount of the claimant’s income tax liability.

Under the bill, subject to a number of conditions, the credit may be claimed only by one of the following:

- a. An “eligible veteran,” defined in the bill as one who: (1) has served on active duty under honorable conditions in the U.S. Armed Forces or in forces incorporated as part of the U.S. Armed Forces; (2) was a resident of Wisconsin at the time of entry into that active service; (3) is currently a resident of this state; (4) is at least 65 years of age; and (5) while a resident, was rated by the U.S. Department of Veterans Affairs (DVA) as having a service-connected disability of 100%.
- b. The unremarried surviving spouse of person who died while on active duty in the U.S. Armed Forces or in forces incorporated in the U.S. Armed Forces.
- c. The unremarried surviving spouse of a person who served on active duty in the U.S. Armed Forces or forces incorporated in the U.S. Armed Forces and who, at the time of death, was at least 65 years of age and was rated by the U.S. DVA as having a service-connected disability of 100%.
- d. The unremarried surviving spouse of a person who served in the National Guard or Reserves and died in the line of duty while on active or inactive duty for training purposes.

All veterans or members of the National Guard or Reserves to whom the bill applies had to have been a Wisconsin resident at the time of entry into service and had to have been a resident of Wisconsin either at the time the individual died or at the time the individual's service-connected disability was rated by the U.S. DVA. The credit may not be claimed by a person who claims one of several other credits, such as the homestead credit or the farmland preservation credit.

Assembly Amendment 1 does the following:

- a. Requires the state DVA to provide to the state Department of Revenue verification of a person's status as an eligible veteran or an eligible unmarried surviving spouse.
- b. Clarifies, in the definition of "eligible veteran," that a person meets the requirement of currently being a resident of this state by being considered a resident *for purposes of receiving veterans benefits under ch. 45*.
- c. Changes the way the 100% service-connected disability is referred to, as a result of testimony at the public hearing that the bill language could be construed to require a single 100% disability, whereas a person could sustain several disabling events that result in a 100% disability *rating* under federal law. Hence, the amendment refers to the disability *rating* and cites the specific federal provisions under which those ratings are made.
- d. Eliminates the requirement that the person had to have received the disability rating while a resident of this state.

Legislative History

The Assembly Committee on Veterans Affairs held an executive session on May 17, 2005. The committee voted to adopt Assembly Amendment 1 and to recommend passage of the bill, as amended, both on a vote of Ayes, 6; Noes, 0.

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