



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2007 Assembly Bill 235

**Assembly Substitute
Amendment 1**

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Contact: Scott Grosz, Staff Attorney (266-1307)

2007 Assembly Bill 235 creates a nonrefundable income and franchise tax credit for workplace wellness programs. The bill defines a workplace wellness program as a health or fitness program, defined by administrative rule by the Department of Commerce, which is provided with health risk assessments and includes the following programs or services:

- Smoking cessation.
- Weight management.
- Stress management.
- Worker injury prevention programs.
- Health screenings.
- Nutrition education.

A claimant may claim the credit, in each taxable year for three years, in an amount equal to 30% of the amount the claimant paid in the taxable year to provide a workplace wellness program to any of the claimant's employees who are employed in the state. The maximum amount of credits available in any taxable year is \$2,500,000 for all claimants who employ 50 or fewer employees in the taxable year and \$2,500,000 for all claimants who employ more than 50 employees in the taxable year.

Assembly Substitute Amendment 1 clarifies several sections of the bill. The substitute amendment states that a workplace wellness program *may include* any of the following programs or services:

- Smoking cessation.
- Weight management.
- Stress management.
- Worker injury prevention programs.
- Health screenings.
- Nutrition education.

The substitute amendment states that no claimant may claim the workplace wellness program credit for more than three taxable years. Additionally, for a claimant who provided a workplace wellness program before January 1, 2008, Assembly Substitute Amendment 1 states that the claimant may claim as a nonrefundable credit 30% of the *increase in the claimant's expenditures* relating to expanding the workplace wellness program. The substitute amendment also incorporates technical changes, including a change to the order in which the credit will be computed in comparison to other income and franchise tax credits.

Legislative History

Assembly Bill 235 was introduced on April 10, 2007 by Representative Moulton and others, cosponsored by Senator Lassa and others, and was referred to the Assembly Committee on Small Business.

On June 18, 2007, Representative Moulton offered Assembly Substitute Amendment 1 to the bill.

The Committee on Small Business recommended adoption of Assembly Substitute Amendment 1 to Assembly Bill 235 by a vote of Ayes, 8; Noes, 0; and Absent, 1, and recommended passage of Assembly Bill 235, as amended, by a vote of Ayes, 8; Noes, 0; and Absent, 1, on June 19, 2007.

SG:jal