



State of Wisconsin  
2017 - 2018 LEGISLATURE

LRB-1120/1  
JK:wlj

## 2017 SENATE BILL 63

February 21, 2017 - Introduced by Senators BEWLEY, WIRCH, HANSEN, JOHNSON, CARPENTER, RISSER, SHILLING, RINGHAND, C. LARSON and VINEHOUT, cosponsored by Representatives C. TAYLOR, MILROY, HORLACHER, MASON, ANDERSON, GOYKE, OHNSTAD, RIEMER, KOLSTE, POPE, CONSIDINE, SINICKI, FIELDS, ZAMARRIPA, SARGENT, SPREITZER, HESSELBEIN, BERCEAU, BILLINGS and SUBECK. Referred to Committee on Revenue, Financial Institutions and Rural Issues.

\*\*\*AUTHORS SUBJECT TO CHANGE\*\*\*

1     **AN ACT to create** 71.05 (6) (a) 29., 71.21 (6), 71.26 (3) (e) 4., 71.34 (1k) (o) and  
2           71.45 (2) (a) 20. of the statutes; **relating to:** eliminating deductions for moving  
3           expenses for businesses that move out of the state or out of the United States.

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### *Analysis by the Legislative Reference Bureau*

Under current law, a business may deduct from its income or franchise tax liability all expenses that the business paid to move its operations from one location to another, including expenses paid to relocate outside the state. Under this bill, a business may not deduct expenses paid to move outside the state or outside the United States.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

4           **SECTION 1.** 71.05 (6) (a) 29. of the statutes is created to read:  
5           71.05 (6) (a) 29. The amount deducted under section 162 of the Internal  
6           Revenue Code as expenses paid or incurred during the taxable year to move the

**SENATE BILL 63****SECTION 1**

1 taxpayer's business operation, in whole or in part, to a location outside the state or  
2 outside the United States.

3 **SECTION 2.** 71.21 (6) of the statutes is created to read:

4 71.21 (6) A deduction under section 162 of the Internal Revenue Code for  
5 expenses paid or incurred during the taxable year to move the taxpayer's business  
6 operation, in whole or in part, to a location outside the state or outside the United  
7 States is not allowed.

8 **SECTION 3.** 71.26 (3) (e) 4. of the statutes is created to read:

9 71.26 (3) (e) 4. So that expenses paid or incurred during the taxable year to  
10 move the taxpayer's business operation, in whole or in part, to a location outside the  
11 state or outside the United States may not be deducted as provided under section 162  
12 of the Internal Revenue Code.

13 **SECTION 4.** 71.34 (1k) (o) of the statutes is created to read:

14 71.34 (1k) (o) An addition shall be made for any amount deducted under section  
15 162 of the Internal Revenue Code as expenses paid or incurred during the taxable  
16 year to move the taxpayer's business operation, in whole or in part, to a location  
17 outside the state or outside the United States.

18 **SECTION 5.** 71.45 (2) (a) 20. of the statutes is created to read:

19 71.45 (2) (a) 20. By adding to federal taxable income any amount deducted  
20 under section 162 of the Internal Revenue Code as expenses paid or incurred during  
21 the taxable year to move the taxpayer's business operation, in whole or in part, to a  
22 location outside the state or outside the United States.

23 **SECTION 6. Initial applicability.**

24 (1) This act first applies to taxable years beginning on January 1, 2017.

25

(END)