2023 SENATE BILL 869

January 5, 2024 – Introduced by Senators Testin, Bradley, Cabral-Guevara, Hutton and Quinn, cosponsored by Representatives Gustafson, Green, Allen, Donovan, Edming, Rettinger, Rozar, Schmidt and Behnke. Referred to Committee on Universities and Revenue.

AUTHORS SUBJECT TO CHANGE

1   AN ACT *to create* 71.05 (6) (b) 57. and 71.05 (6) (b) 58. of the statutes; **relating**

2   **to:** an income tax subtraction for overtime wages and certain bonuses.

Analysis by the Legislative Reference Bureau

This bill creates an individual income tax exemption for hourly wages received by an employee for work performed in excess of 40 hours for a single employer in any week during the taxable year. The bill also creates an individual income tax exemption of up to $2,500 for each taxable year for bonuses received by an employee for work performed for an employer.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

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

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

3   SECTION 1. 71.05 (6) (b) 57. of the statutes is created to read:

4   71.05 **(6)** (b) 57. For taxable years beginning after December 31, 2023, income

5   received in the form of hourly wages received by an employee for work performed in

6   excess of 40 hours for a single employer in any week during the taxable year.

1   SECTION 2. 71.05 (6) (b) 58. of the statutes is created to read:

2   71.05 **(6)** (b) 58. a. For taxable years beginning after December 31, 2023, income

3   received in the form of a bonus received by an employee for work performed for an

4   employer.

5   b. The maximum amount of bonuses which a claimant may subtract under this

6   subdivision in a taxable year is $2,500.

7   **(END)**