

State of Wisconsin



2023 Assembly Bill 1020

Date of enactment:
Date of publication*:

2023 WISCONSIN ACT

AN ACT *to repeal* 71.06 (1), (1m), (1n) and (1p), 71.06 (1q), 71.06 (2) (a) to (h), 71.06 (2) (i), 71.06 (2) (j) and 71.06 (2e) (a) and (b); *to amend* 71.06 (1q) (intro.), 71.06 (2) (i) (intro.), 71.06 (2) (j) (intro.) and 71.06 (2m); and *to create* 71.06 (1r), 71.06 (2) (k), 71.06 (2) (L) and 71.06 (2e) (bm) of the statutes; **relating to:** expansion of the second individual income tax bracket.

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

SECTION 1. 71.06 (1), (1m), (1n) and (1p) of the statutes are repealed.

SECTION 2. 71.06 (1q) (intro.) of the statutes is amended to read:

71.06 (1q) FIDUCIARIES, SINGLE INDIVIDUALS, AND HEADS OF HOUSEHOLDS; ~~AFTER 2012~~ TO 2023. (intro.) The tax to be assessed, levied, and collected upon the taxable incomes of all fiduciaries, except fiduciaries of nuclear decommissioning trust or reserve funds, and single individuals and heads of households shall be computed at the following rates for taxable years beginning after December 31, 2012, ~~and before January 1, 2024~~:

SECTION 3. 71.06 (1q) of the statutes, as affected by 2023 Wisconsin Acts 19 and (this act), is repealed.

SECTION 4. 71.06 (1r) of the statutes is created to read:

71.06 (1r) FIDUCIARIES, SINGLE INDIVIDUALS, AND HEADS OF HOUSEHOLD; AFTER 2023. The tax to be assessed, levied, and collected upon the taxable incomes of all fiduciaries, except fiduciaries of nuclear decommissioning trust or reserve funds, and single individuals and heads of households shall be computed at the following rates for taxable years beginning after December 31, 2023:

(a) On all taxable income from \$0 to \$14,320, 3.50 percent.

(b) On all taxable income exceeding \$14,320 but not exceeding \$112,500, 4.40 percent.

(c) On all taxable income exceeding \$112,500 but not exceeding \$315,310, 5.30 percent.

(d) On all taxable income exceeding \$315,310, 7.65 percent.

SECTION 5. 71.06 (2) (a) to (h) of the statutes are repealed.

SECTION 6. 71.06 (2) (i) (intro.) of the statutes is amended to read:

71.06 (2) (i) (intro.) For joint returns, for taxable years beginning after December 31, 2012, ~~and before January 1, 2024~~:

SECTION 7. 71.06 (2) (i) of the statutes, as affected by 2023 Wisconsin Acts 19 and (this act), is repealed.

SECTION 8. 71.06 (2) (j) (intro.) of the statutes is amended to read:

71.06 (2) (j) (intro.) For married persons filing separately, for taxable years beginning after December 31, 2012, ~~and before January 1, 2024~~:

SECTION 9. 71.06 (2) (j) of the statutes, as affected by 2023 Wisconsin Acts 19 and (this act), is repealed.

* Section 991.11, WISCONSIN STATUTES: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication."

SECTION 10. 71.06 (2) (k) of the statutes is created to read:

71.06 (2) (k) For joint returns, for taxable years beginning after December 31, 2023:

1. On all taxable income from \$0 to \$19,090, 3.50 percent.
2. On all taxable income exceeding \$19,090 but not exceeding \$150,000, 4.40 percent.
3. On all taxable income exceeding \$150,000 but not exceeding \$420,420, 5.30 percent.
4. On all taxable income exceeding \$420,420, 7.65 percent.

SECTION 11. 71.06 (2) (L) of the statutes is created to read:

71.06 (2) (L) For married persons filing separately, for taxable years beginning after December 31, 2023:

1. On all taxable income from \$0 to \$9,550, 3.50 percent.
2. On all taxable income exceeding \$9,550 but not exceeding \$75,000, 4.40 percent.
3. On all taxable income exceeding \$75,000 but not exceeding \$210,210, 5.30 percent.
4. On all taxable income exceeding \$210,210, 7.65 percent.

SECTION 12. 71.06 (2e) (a) and (b) of the statutes are repealed.

SECTION 13. 71.06 (2e) (bm) of the statutes is created to read:

71.06 (2e) (bm) For taxable years beginning after December 31, 2024, the maximum dollar amount in each tax bracket, and the corresponding minimum dollar amount in the next bracket, under subs. (1r) and (2) (k)

and (L), shall be increased each year by a percentage equal to the percentage change between the U.S. consumer price index for all urban consumers, U.S. city average, for the month of August of the previous year and the U.S. consumer price index for all urban consumers, U.S. city average, for the month of August 2023, as determined by the federal department of labor, except that the adjustment may occur only if the resulting amount is greater than the corresponding amount that was calculated for the previous year.

SECTION 14. 71.06 (2m) of the statutes is amended to read:

71.06 (2m) RATE CHANGES. If a rate under sub. (1), ~~(1m), (1n), (1p), (1q), (1r)~~ or (2) ~~(k) or (L)~~ changes during a taxable year, the taxpayer shall compute the tax for that taxable year by the methods applicable to the federal income tax under section 15 of the Internal Revenue Code.

SECTION 15. Nonstatutory provisions.

(1) INDIVIDUAL INCOME TAX WITHHOLDING TABLE ADJUSTMENTS. No later than July 1, 2024, the department of revenue shall update the individual income tax withholding tables under s. 71.64 (9) to reflect the tax rates, brackets, and sliding scale standard deduction that are in effect for taxable year 2024. The adjustments made under this subsection to the withholding tables shall take effect on July 1, 2024.

SECTION 16. Effective dates. This act takes effect on the day after publication, except as follows:

- (1) The repeal of s. 71.06 (1q), (2) (i) and (j), and (2e) (a) and (b) takes effect on January 1, 2029.