



2009 ASSEMBLY BILL 13

January 29, 2009 – Introduced by Representatives A. OTT, MOLEPSKE, BALLWEG, BIES, BROOKS, MURTHA, PETROWSKI, RIPP, SPANBAUER, STRACHOTA, TOWNSEND and GUNDERSON, cosponsored by Senators A. LASEE and SCHULTZ. Referred to Committee on Ways and Means.

1 **AN ACT to create** 71.05 (6) (b) 47. of the statutes; **relating to:** creating an
2 individual income tax subtract modification for amounts received from the well
3 contamination and abandonment compensation program.

Analysis by the Legislative Reference Bureau

Under current law, the Department of Natural Resources (DNR) administers a program that provides compensation to persons with contaminated wells and wells that are unused. A person with a family income of not more than \$65,000 may be eligible for the program. The program generally pays 75 percent of eligible costs with a maximum award of \$9,000. Eligible costs include the costs of treating the well water, of constructing a new well or obtaining clean water from another source, or of abandoning an unused well.

This bill creates an individual income tax subtract modification for amounts received by an individual from DNR under the contaminated and abandoned wells compensation program. Under the bill, the amount of the award received by an individual is exempt from taxation.

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.

ASSEMBLY BILL 13

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:

1 **SECTION 1.** 71.05 (6) (b) 47. of the statutes is created to read:
2 71.05 **(6)** (b) 47. Any amount received from the department of natural resources
3 as an award under the well contamination and abandoned compensation program
4 that is described under s. 281.75.

5 **SECTION 2. Initial applicability.**

6 (1) This act first applies to taxable years beginning on January 1 of the year
7 in which this subsection takes effect, except that if this subsection takes effect after
8 July 31 this act first applies to taxable years beginning on January 1 of the year
9 following the year in which this subsection takes effect.

10 **(END)**