2023 Assembly Bill 1023

2023 WISCONSIN ACT

AN ACT to renumber and amend 71.07 (9g) (b); and to create 71.07 (9g) (b) 2. and 71.07 (9g) (c) 5. of the statutes; relating to: expanding the child and dependent care credit.

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

SECTION 1. 71.07 (9g) (b) of the statutes is renumbered 71.07 (9g) (b) 1. and amended to read:

71.07 (9g) (b) 1. For taxable years beginning after December 31, 2021, and before January 1, 2024, and subject to the limitations provided in this subsection, a claimant may claim as a credit against the tax imposed under s. 71.02, up to the amount of those taxes, an amount equal to 50 percent of the federal child and dependent care tax credit claimed by the claimant on his or her federal income tax return for the taxable year to which the claim under this subsection relates.

SECTION 2. 71.07 (9g) (b) 2. of the statutes is created to read:

71.07 (9g) (b) 2. For taxable years beginning after December 31, 2023, and subject to the limitations provided in this subsection, a claimant may claim as a credit against the tax imposed under s. 71.02, up to the amount of those taxes, an amount equal to 100 percent of the federal child and dependent care tax credit that the claimant may claim on his or her federal income tax return for the taxable year to which the claim under this subsection relates using the expense limitation under par. (c) 5. rather than the expense limitation under 26 USC 21 (c).

SECTION 3. 71.07 (9g) (c) 5. of the statutes is created to read:

71.07 (9g) (c) 5. Notwithstanding 26 USC 21 (c), for taxable years beginning after December 31, 2023, the maximum allowable expenses to determine the amount of the credit under par. (b) 2. is $10,000 for one qualifying individual, as defined in 26 USC 21 (b), and $20,000 for 2 or more qualifying individuals, as defined in 26 USC 21 (b).

* 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.”