

State of Wisconsin



2025 Assembly Bill 699

Date of enactment:
Date of publication*:

2025 WISCONSIN ACT

AN ACT to amend 71.05 (6) (a) 15., 71.10 (4) (i), 71.21 (4) (a), 71.21 (6) (d) 3., 71.26 (2) (a) 4., 71.30 (3) (f), 71.34 (1k) (g), 71.365 (4m) (d) 2., 71.45 (2) (a) 10., 71.49 (1) (f), 76.67 (1), 76.67 (2), 646.11 (2), 646.51 (3) (am), 646.51 (4) (a) and 646.51 (7) (b); to create 20.835 (2) (de), 71.07 (12), 71.10 (4) (co), 71.28 (12), 71.30 (3) (dh), 71.47 (12), 71.49 (1) (dh), 76.633, 646.03 (3m), 646.51 (3) (bm) and 646.51 (7) (bm) of the statutes; relating to: a long-term care insurance assessment and a long-term care insurance assessment tax credit.

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

SECTION 1. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert the following amounts for the purposes indicated:

	2025-26	2026-27
20.835 Shared revenue and tax relief		
(2) TAX RELIEF		
(de) Long-term care insurance assessment credit	GPR A	-0- -0-

SECTION 2. 20.835 (2) (de) of the statutes is created to read:

20.835 (2) (de) *Long-term care insurance assessment credit.* The amounts in the schedule to make the payments under ss. 71.07 (12) (d) 2., 71.28 (12) (d) 2., 71.47 (12) (d) 2., and 76.633 (4).

SECTION 3. 71.05 (6) (a) 15. of the statutes, as affected by 2025 Wisconsin Act 15, is amended to read:

71.05 (6) (a) 15. The amount of the credits computed under s. 71.07 (2dm), (2dx), (2dy), (3g), (3h), (3n), (3q), (3s), (3t), (3w), (3wm), (3y), (4k), (4n), (5f), (5h), (5i), (5j), (5k), (5r), (5rm), (6n), ~~and (10)~~, and (12) and not passed through by a partnership, limited liability company, or tax-option corporation that has added that amount to the partnership's, company's, or tax-op-

tion corporation's income under s. 71.21 (4) or 71.34 (1k) (g).

SECTION 4. 71.07 (12) of the statutes is created to read:

71.07 (12) LONG-TERM CARE INSURANCE ASSESSMENT CREDIT. (a) *Definitions.* In this subsection:

1. "Claimant" means a person who files a claim under this subsection.

2. "Disability insurer" means an insurer classified as a disability insurer under s. 646.51 (3) (bm) 2.

(b) *Filing claims.* Subject to the limitations provided under this subsection, for taxable years beginning after December 31, 2026, a claimant may claim as a credit against the taxes imposed under s. 71.02, for the taxable year following the taxable year that a claimant

* 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."

pays an assessment under s. 646.51 (3) (bm), and for the immediately following 4 taxable years, an amount equal to 20 percent of the assessment under s. 646.51 (3) (bm) paid by the claimant.

(c) *Limitations.* 1. A partnership, limited liability company, or tax-option corporation, including a partnership, limited liability company, or tax-option corporation that makes an election under s. 71.21 (6) (a) or 71.365 (4m) (a) to be taxed at the entity level, may claim the credit under par. (b).

2. A partnership's partners, limited liability company's members, and tax-option corporation's shareholders may not claim the credit under par. (b).

(d) *Administration.* 1. Section 71.28 (4) (e), (g), and (h), as it applies to the credit under s. 71.28 (4), applies to the credit under this subsection.

2. If the claimant is a disability insurer and if the allowable amount of the claim under par. (b) exceeds the tax otherwise due under s. 71.02 or 71.21 (6) (a), the amount of the claim not used to offset the tax due shall be certified by the department of revenue to the department of administration for payment to the claimant by check, share draft, or other draft drawn from the appropriation account under s. 20.835 (2) (de). Notwithstanding s. 71.82 (1) (b), no interest shall be added to amounts certified under this subdivision.

SECTION 5. 71.10 (4) (co) of the statutes is created to read:

71.10 (4) (co) Long-term care insurance assessment credit under s. 71.07 (12), except as provided under par. (i).

SECTION 6. 71.10 (4) (i) of the statutes, as affected by 2025 Wisconsin Act 15, is amended to read:

71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland preservation credit under ss. 71.57 to 71.61, farmland preservation credit, 2010 and beyond under s. 71.613, homestead credit under subch. VIII, jobs tax credit under s. 71.07 (3q), business development credit under s. 71.07 (3y), research credit under s. 71.07 (4k) (e) 2. a., film production services credit under s. 71.07 (5f) (b) 2., veterans and surviving spouses property tax credit under s. 71.07 (6e), enterprise zone jobs credit under s. 71.07 (3w), electronics and information technology manufacturing zone credit under s. 71.07 (3wm), long-term care insurance assessment credit under s. 71.07 (12) (d) 2., earned income tax credit under s. 71.07 (9e), estimated tax payments under s. 71.09, and taxes withheld under subch. X.

SECTION 7. 71.21 (4) (a) of the statutes, as affected by 2025 Wisconsin Act 15, is amended to read:

71.21 (4) (a) The amount of the credits computed by a partnership under s. 71.07 (2dm), (2dx), (2dy), (3g), (3h), (3n), (3q), (3s), (3t), (3w), (3wm), (3y), (4k), (4n),

(5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), (6n), ~~and (10), and (12)~~ and passed through to partners shall be added to the partnership's income.

SECTION 8. 71.21 (6) (d) 3. of the statutes is amended to read:

71.21 (6) (d) 3. Except as provided in ~~s. ss.~~ 71.07 (7) (b) 3. and (12) (c) 2., 71.28 (12) (c) 2., and 71.47 (12) (c) 2., the tax credits under this chapter may not be claimed by the partnership.

SECTION 9. 71.26 (2) (a) 4. of the statutes, as affected by 2025 Wisconsin Act 15, is amended to read:

71.26 (2) (a) 4. Plus the amount of the credit computed under s. 71.28 (1dm), (1dx), (1dy), (3g), (3h), (3n), (3q), (3t), (3w), (3wm), (3y), (5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), (6n), ~~and (10), and (12)~~ and not passed through by a partnership, limited liability company, or tax-option corporation that has added that amount to the partnership's, limited liability company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g).

SECTION 10. 71.28 (12) of the statutes is created to read:

71.28 (12) LONG-TERM CARE INSURANCE ASSESSMENT CREDIT. (a) *Definitions.* In this subsection:

1. "Claimant" means a person who files a claim under this subsection.

2. "Disability insurer" means an insurer classified as a disability insurer under s. 646.51 (3) (bm) 2.

(b) *Filing claims.* Subject to the limitations provided under this subsection, for taxable years beginning after December 31, 2026, a claimant may claim as a credit against the taxes imposed under s. 71.23, for the taxable year following the taxable year that a claimant pays an assessment under s. 646.51 (3) (bm), and for the immediately following 4 taxable years, an amount equal to 20 percent of the assessment under s. 646.51 (3) (bm) paid by the claimant.

(c) *Limitations.* 1. A partnership, limited liability company, or tax-option corporation, including a partnership, limited liability company, or tax-option corporation that makes an election under s. 71.21 (6) (a) or 71.365 (4m) (a) to be taxed at the entity level, may claim the credit under par. (b).

2. A partnership's partners, limited liability company's members, and tax-option corporation's shareholders may not claim the credit under par. (b).

(d) *Administration.* 1. Subsection (4) (e), (g), and (h), as it applies to the credit under sub. (4), applies to the credit under this subsection.

2. If the claimant is a disability insurer and if the allowable amount of the claim under par. (b) exceeds the tax otherwise due under s. 71.23 or 71.365 (4m) (a), the amount of the claim not used to offset the tax due shall

be certified by the department of revenue to the department of administration for payment to the claimant by check, share draft, or other draft drawn from the appropriation account under s. 20.835 (2) (de). Notwithstanding s. 71.82 (1) (b), no interest shall be added to amounts certified under this subdivision.

SECTION 11. 71.30 (3) (dh) of the statutes is created to read:

71.30 (3) (dh) Long-term care insurance assessment credit under s. 71.28 (12), except as provided under par. (f).

SECTION 12. 71.30 (3) (f) of the statutes, as affected by 2025 Wisconsin Act 15, is amended to read:

71.30 (3) (f) The total of farmland preservation credit under subch. IX, jobs credit under s. 71.28 (3q), enterprise zone jobs credit under s. 71.28 (3w), electronics and information technology manufacturing zone credit under s. 71.28 (3wm), long-term care insurance assessment credit under s. 71.28 (12) (d) 2., business development credit under s. 71.28 (3y), research credit under s. 71.28 (4) (k) 1., film production services credit under s. 71.28 (5f) (b) 2., and estimated tax payments under s. 71.29.

SECTION 13. 71.34 (1k) (g) of the statutes, as affected by 2025 Wisconsin Act 15, is amended to read:

71.34 (1k) (g) An addition shall be made for credits computed by a tax-option corporation under s. 71.28 (1dm), (1dx), (1dy), (3), (3g), (3h), (3n), (3q), (3t), (3w), (3wm), (3y), (4), (5), (5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), (6n), ~~and (10)~~, and (12) and passed through to shareholders.

SECTION 14. 71.365 (4m) (d) 2. of the statutes is amended to read:

71.365 (4m) (d) 2. Except as provided in s. 71.07 (7) (b) 3. and (12) (c) 2., 71.28 (12) (c) 2., and 71.47 (12) (c) 2., the tax credits under this chapter may not be claimed by the tax-option corporation.

SECTION 15. 71.45 (2) (a) 10. of the statutes, as affected by 2025 Wisconsin Act 15, is amended to read:

71.45 (2) (a) 10. By adding to federal taxable income the amount of credit computed under s. 71.47 (1dm) to (1dy), (3g), (3h), (3n), (3q), (3w), (3y), (5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), (6n), ~~and (10)~~, and (12) and not passed through by a partnership, limited liability company, or tax-option corporation that has added that amount to the partnership's, limited liability company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g) and the amount of credit computed under s. 71.47 (3), (3t), (4), (4m), and (5).

SECTION 16. 71.47 (12) of the statutes is created to read:

71.47 (12) LONG-TERM CARE INSURANCE ASSESSMENT CREDIT. (a) *Definitions.* In this subsection:

1. "Claimant" means a person who files a claim under this subsection.

2. "Disability insurer" means an insurer classified as a disability insurer under s. 646.51 (3) (bm) 2.

(b) *Filing claims.* Subject to the limitations provided under this subsection, for taxable years beginning after December 31, 2026, a claimant may claim as a credit against the taxes imposed under s. 71.43, for the taxable year following the taxable year that a claimant pays an assessment under s. 646.51 (3) (bm), and for the immediately following 4 taxable years, an amount equal to 20 percent of the assessment under s. 646.51 (3) (bm) paid by the claimant.

(c) *Limitations.* 1. A partnership, limited liability company, or tax-option corporation, including a partnership, limited liability company, or tax-option corporation that makes an election under s. 71.21 (6) (a) or 71.365 (4m) (a) to be taxed at the entity level, may claim the credit under par. (b).

2. A partnership's partners, limited liability company's members, and tax-option corporation's shareholders may not claim the credit under par. (b).

(d) *Administration.* 1. Section 71.28 (4) (e), (g), and (h), as it applies to the credit under s. 71.28 (4), applies to the credit under this subsection.

2. If the claimant is a disability insurer and if the allowable amount of the claim under par. (b) exceeds the tax otherwise due under s. 71.43 or no tax is due under s. 71.43, the amount of the claim not used to offset the tax due shall be certified by the department of revenue to the department of administration for payment to the claimant by check, share draft, or other draft drawn from the appropriation account under s. 20.835 (2) (de). Notwithstanding s. 71.82 (1) (b), no interest shall be added to amounts certified under this subdivision.

SECTION 17. 71.49 (1) (dh) of the statutes is created to read:

71.49 (1) (dh) Long-term care insurance assessment credit under s. 71.47 (12), except as provided under par. (f).

SECTION 18. 71.49 (1) (f) of the statutes, as affected by 2025 Wisconsin Act 15, is amended to read:

71.49 (1) (f) The total of farmland preservation credit under subch. IX, jobs credit under s. 71.47 (3q), enterprise zone jobs credit under s. 71.47 (3w), business development credit under s. 71.47 (3y), research credit under s. 71.47 (4) (k) 1., film production services credit under s. 71.47 (5f) (b) 2., long-term care insurance assessment credit under s. 71.47 (12) (d) 2., and estimated tax payments under s. 71.48.

SECTION 19. 76.633 of the statutes is created to read:

76.633 Long-term care insurance assessment credit. (1) DEFINITIONS. In this section:

(a) "Claimant" means a person who files a claim under this section.

(b) "Disability insurer" means an insurer classified as a disability insurer under s. 646.51 (3) (bm) 2.

(2) FILING CLAIMS. Subject to the limitations under this section, for taxable years beginning after December 31, 2026, a claimant may claim as a credit against the fees due under s. 76.63, 76.65, 76.66, or 76.67, for the taxable year following the taxable year that a claimant pays an assessment under s. 646.51 (3) (bm), and for the immediately following 4 taxable years, an amount equal to 20 percent of the assessment under s. 646.51 (3) (bm) paid by the claimant.

(4) REFUND PAYMENTS; DISABILITY INSURERS. If the claimant is a disability insurer and if the allowable amount of the claim under sub. (2) exceeds the fees otherwise due under s. 76.63, 76.65, 76.66, or 76.67 or no fee is due under s. 76.63, 76.65, 76.66, or 76.67, the amount of the claim not used to offset the fees due shall be certified by the office of the commissioner of insurance to the department of administration for payment to the claimant by check, share draft, or other draft drawn from the appropriation account under s. 20.835 (2) (de).

SECTION 20. 76.67 (1) of the statutes is amended to read:

76.67 (1) In this section, "taxes" means the taxes imposed on foreign insurers under ss. 76.60, 76.63, 76.65 (2) and 601.93 less offsets allowed against those taxes under s. 646.51 (7) (b) or the amounts imposed on domestic insurers by another state for similar purposes.

SECTION 21. 76.67 (2) of the statutes is amended to read:

76.67 (2) If any domestic insurer is licensed to transact insurance business in another state, this state may not require similar insurers domiciled in that other state to pay taxes greater in the aggregate than the aggregate amount of taxes that a domestic insurer is required to pay to that other state for the same year less the credits under ss. 76.633, 76.635, 76.636, 76.637, 76.638, and 76.655, except that the amount imposed shall not be less than the total of the amounts due under ss. 76.65 (2) and 601.93 and, if the insurer is subject to s. 76.60, 0.375 percent of its gross premiums, as calculated under s. 76.62, less offsets allowed under s. 646.51 (7) or under ss. 76.633, 76.635, 76.636, 76.637, 76.638, 76.639, and 76.655 against that total, and except that the amount imposed shall not be less than the amount due under s. 601.93.

SECTION 22. 646.03 (3m) of the statutes is created to read:

646.03 (3m) "Long-term care insurance policy" has the meaning given in s. 600.03 (28g).

SECTION 23. 646.11 (2) of the statutes is amended to read:

646.11 (2) ACCOUNTS. The fund shall be composed of ~~5~~ 6 segregated accounts, one for life insurance and annuities, one for disability insurance other than policies issued or coverage provided by a health maintenance organization insurer, one for health maintenance organization insurers, one for long-term care insurance, one for all other kinds of insurance subject to this chapter, and an administrative account.

SECTION 24. 646.51 (3) (am) of the statutes is amended to read:

646.51 (3) (am) *General.* Except as provided in pars. (ar), (b), (bm), and (c), the board shall calculate the assessments as a percentage of premiums written in this state by each insurer in the classes protected by the accounts under s. 646.11 (2) for the year immediately preceding the year in which the board authorizes the assessment.

SECTION 25. 646.51 (3) (bm) of the statutes is created to read:

646.51 (3) (bm) *Long-term care.* 1. Except as provided in par. (c), with respect to the long-term care insurance account under s. 646.11 (2), the board shall calculate the assessments against life, annuity, and disability premiums written in this state, including disability premiums written by health maintenance organization insurers, as set forth in subds. 2. and 3.

2. a. The board shall calculate the percentage of life insurance, annuity contract, and disability insurance premiums written by each life insurer and by each disability insurer, including health maintenance organization insurers, to which this chapter applies. The calculation shall be based on each insurer's total life insurance, annuity contract, and disability insurance premiums written in this state for the year preceding the year in which the assessment is authorized by the board, provided that the board's calculations under subd. 2. b., c., and d. excludes long-term care and disability income insurance premiums.

b. If the percentage of life insurance and annuity contract premiums written in this state by an insurer exceeds 50 percent of the insurer's total life insurance, annuity contract, and disability insurance premiums written in this state for the year preceding the year in which the assessment is authorized by the board, the insurer shall be classified as a life insurer.

c. If the percentage of disability insurance premiums, including premiums on products issued by health maintenance organization insurers, written in this state by an insurer exceeds 50 percent of the insurer's total

life insurance, annuity contract, and disability insurance premiums written in this state for the year preceding the year in which the assessment is authorized by the board, the insurer shall be classified as a disability insurer.

d. If the percentage of life insurance and annuity contract premiums and the percentage of disability insurance premiums written in this state by an insurer each equal 50 percent of the insurer's total life insurance, annuity contract, and disability insurance premiums written in this state for the year preceding the year in which the assessment is authorized by the board, the insurer will be assigned the classification with the lower assessment base as determined under subd. 3.

e. If an insurer issues only disability income products or only long-term care insurance products in this state for the year preceding the year in which the assessment is authorized by the board, the insurer shall be classified as a disability insurer.

3. a. The board shall allocate 50 percent of the total assessment authorized by the board for the long-term care insurance account pursuant to sub. (1m) to life insurers under subd. 2. and the board shall allocate 50 percent of the total assessment authorized by the board for the long-term care insurance account pursuant to sub. (1m) to disability insurers under subd. 2.

b. The board shall calculate the allocations for each insurer under subd. 3. a. as a percentage of the total premiums written in this state by insurers in the classes described under subd. 2. for the year preceding the year in which the assessment is authorized by the board. If the assessment data for the year immediately preceding the year in which the board authorizes the assessment is not available when the assessment is called, the board may use the assessment data for the most recent year for which data is available.

4. Upon an insurer's payment of an assessment imposed under this paragraph, the fund shall require the insurer to elect to claim one of the following:

a. Income and franchise tax credits under s. 71.07 (12), 71.28 (12), or 71.47 (12).

b. Insurer license fee credits under s. 76.633.

5. If an insurer elects to claim income and franchise tax credits described in subd. 4. a., no later than 60 days after an assessment imposed under this paragraph is collected from the insurer, the fund shall issue to the insurer a certification of the amount of the assessment that

the insurer may claim as eligible for the credit under s. 71.07 (12), 71.28 (12), or 71.47 (12).

6. The fund shall certify the amount of the assessment imposed on an insurer under this paragraph that the insurer may claim as eligible for the credit under s. 71.07 (12), 71.28 (12), 71.47 (12), or 76.633. No later than 60 days after the collection of an assessment imposed on insurers under this paragraph, the fund shall provide to the office and the department of revenue a certification of all of the following:

a. The amount of the assessment that each insurer may claim as eligible for the credit under s. 71.07 (12), 71.28 (12), 71.47 (12), or 76.633.

b. The election made by each insurer under subd. 4.

SECTION 26. 646.51 (4) (a) of the statutes is amended to read:

646.51 (4) (a) Subject to pars. (b) and (d), the total of all assessments for an amount authorized by the board under this section with respect to an insurer may not, in one calendar year, exceed 2 percent of the insurer's assessable premiums under sub. (3) (am), (ar), ~~or (b), or (bm)~~ on the types of policies and contracts that are covered by the account.

SECTION 27. 646.51 (7) (b) of the statutes is amended to read:

646.51 (7) (b) ~~If Except as provided in par. (bm), if~~ if the premium rates on a class of business are fixed, so that it is not possible for an insurer to recoup its assessments by increasing premium rates on the class of business, the insurer may offset 20 percent of the amount of the Wisconsin portion of the assessment against ~~its tax liabilities to this state, other than real property taxes, the tax imposed under s. 71.43, 76.63, 76.65, 76.66, or 76.67~~ the tax imposed under s. 71.43, 76.63, 76.65, 76.66, or 76.67 in each of the 5 calendar years following the year in which the assessment was paid.

SECTION 28. 646.51 (7) (bm) of the statutes is created to read:

646.51 (7) (bm) 1. An insurer that pays an assessment under s. 646.51 (3) (bm) may claim a tax credit under s. 71.07 (12), 71.28 (12), 71.47 (12), or 76.633.

2. An insurer that claims a tax credit under s. 71.07 (12), 71.28 (12), or 71.47 (12) for a taxable year may not claim a credit under s. 76.633 for the same taxable year.

SECTION 29. Effective dates. This act takes effect on July 1, 2026, except as follows:

(1) The treatment of ss. 646.03 (3m) and 646.11 (2) take effect on the day after publication.