



State of Wisconsin  
2019 - 2020 LEGISLATURE

LRB-0202/1  
JK:amn&wlj

## 2019 BILL

1     **AN ACT to create** 71.01 (8j), 71.05 (6) (a) 29., 71.21 (7), 71.26 (3) (e) 4., 71.34 (1k)  
2           (o) and 71.45 (2) (a) 20. of the statutes; **relating to:** eliminating deductions for  
3           moving expenses for businesses that move out of the state or out of the United  
4           States.

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***Analysis by the Legislative Reference Bureau***

Under current law, a business may deduct from its income or franchise tax liability all expenses that the business paid to move its operations from one location to another, including expenses paid to relocate outside the state. Under this bill, a business may not deduct expenses paid to move outside the state or outside the United States.

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

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

5           **SECTION 1.** 71.01 (8j) of the statutes is created to read:  
6           71.01 (8j) For purposes of ss. 71.05 (6) (a) 29., 71.21 (7), 71.26 (3) (e) 4., 71.34  
7           (1k) (o), and 71.45 (2) (a) 20., “moving expenses” means all of the following:

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- 1 (a) Vehicle rentals.
- 2 (b) Storage rentals.
- 3 (c) Moving company expenses for packing, unpacking, and transportation.
- 4 (d) Consulting fees and surveys.
- 5 (e) Brokerage commissions or fees.
- 6 (f) Architecture, design, and remodeling expenses.
- 7 (g) Expenses paid or incurred to sell property in this state.
- 8 (h) Loss on the sale of property in this state.
- 9 (i) Lease cancellation fees.
- 10 (j) Expenses paid or incurred for professional services, including legal services.
- 11 (k) Utility fees.
- 12 (L) Employee wages.
- 13 (m) Reimbursement of an employee's expenses.
- 14 (n) The cost of meals, lodging, and fuel.
- 15 (o) Mileage deductions for vehicle use.

16 **SECTION 2.** 71.05 (6) (a) 29. of the statutes is created to read:

17 71.05 (6) (a) 29. The amount deducted under the Internal Revenue Code as  
18 moving expenses, as defined in s. 71.01 (8j), paid or incurred during the taxable year  
19 to move the taxpayer's business operation, in whole or in part, to a location outside  
20 the state or outside the United States.

21 **SECTION 3.** 71.21 (7) of the statutes is created to read:

22 71.21 (7) A deduction under the Internal Revenue Code for moving expenses,  
23 as defined in s. 71.01 (8j), paid or incurred during the taxable year to move the  
24 taxpayer's business operation, in whole or in part, to a location outside the state or  
25 outside the United States is not allowed.

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1           **SECTION 4.** 71.26 (3) (e) 4. of the statutes is created to read:

2           71.26 **(3)** (e) 4. So that moving expenses, as defined in s. 71.01 (8j), paid or  
3 incurred during the taxable year to move the taxpayer's business operation, in whole  
4 or in part, to a location outside the state or outside the United States may not be  
5 deducted as provided under the Internal Revenue Code.

6           **SECTION 5.** 71.34 (1k) (o) of the statutes is created to read:

7           71.34 **(1k)** (o) An addition shall be made for any amount deducted under the  
8 Internal Revenue Code as moving expenses, as defined in s. 71.01 (8j), paid or  
9 incurred during the taxable year to move the taxpayer's business operation, in whole  
10 or in part, to a location outside the state or outside the United States.

11           **SECTION 6.** 71.45 (2) (a) 20. of the statutes is created to read:

12           71.45 **(2)** (a) 20. By adding to federal taxable income any amount deducted  
13 under the Internal Revenue Code as moving expenses, as defined in s. 71.01 (8j), paid  
14 or incurred during the taxable year to move the taxpayer's business operation, in  
15 whole or in part, to a location outside the state or outside the United States.

16           **SECTION 7. Initial applicability.**

17           (1) This act first applies to taxable years beginning on January 1, 2019.

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(END)