

Sen. Jacque: Bill to aid workforce, make military service less taxing passes committee

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MADISON...State tax relief for Wisconsin's active duty military members could be headed for a vote in the State Senate soon after clearing the Senate Committee on Financial Institutions and Revenue today by a unanimous 5-0 vote.

State Sen. André Jacque (R-De Pere), the bill's author, testified to committee members that the measure would significantly increase Wisconsin's ability to retain and recruit trained military personnel for Wisconsin's workforce. He was joined by several Wisconsin veterans involved in attracting active duty military and their families to our state for work as their enlistment is ending.

"The economic benefits of keeping veterans in our state will more than make up for any lost revenue, and this is quite simply the right thing to do," Sen. Jacque said. "Retaining veterans will both help Wisconsin fill thousands of open jobs and honor the service of those who put their lives on the line to defend our freedom, and our armed service members deployed out of state should not have a tax bill as their primary connection back home."

Under current law, military personnel are only able to receive the non-refundable armed forces member tax credit and claim a limited benefit of up to \$300 dollars for military income for services performed while on active duty stationed outside the United States, and service members who are on active duty but stationed within the United States are unable to receive the same tax credit.

Sen. Jacque said his proposal would bring Wisconsin in line with most of the country. While Wisconsin does not tax retirement income from the U.S. military, it is still in

the minority of states that generally taxes active duty military pay for residents, even if they are stationed out of state or even overseas. Our neighboring states of Illinois, Michigan, Iowa and Minnesota do not collect income tax on active duty military pay.

“This situation has caused many native Wisconsinite service members to change their legal address to outside of the state of Wisconsin, just to avoid being taxed while on active duty,” Sen. Jacque said. “After leaving active service, many individuals then find it difficult to transition back to civilian life and the workforce within the State of Wisconsin after having officially relocated to a different state.”

Senator André Jacque represents Northeast Wisconsin's First Senate District, consisting of Door and Kewaunee Counties and portions of Brown, Calumet, Manitowoc, and Outagamie counties.