STATE AFFAIRS
WISPOLITICS
Wisconsin's Premier Political News Service

Rep. Allen: Releases budget motion addressing guardianship payments

Posted on Wednesday, May 3, 2023

>> WisPolitics is now on the State Affairs network. Get custom keyword notifications, bill tracking and all WisPolitics content. Get the app or access via desktop.

State Representative Scott Allen (R – Waukesha) sent a budget motion to the Joint Finance Committee that would provide a tax deduction on guardianship payments received by the state.

“I would like to thank a constituent for bringing this issue to my attention,” said Rep. Allen. “We as a state should encourage and support guardians by waiving income taxes on the compensatory payments they receive to care for others.”

Under current law, the payments provided by the Department of Children and Families to guardians to provide care are treated as taxable income. This budget motion would ensure that these payments are no longer taxed as individual income freeing up the funds to provide care.

The Legislative Fiscal Bureau estimates that there would be a decrease of $350,000 to $400,000 in individual income taxes collected in the next two fiscal years.

“Those who act as guardians are going above and beyond to serve others,” stated Rep. Allen. “The loss of taxes collected is a small price to pay to ensure that guardians can provide quality care.”