



WISCONSIN LEGISLATURE

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Contact: Rep. Cody Horlacher

Sen. André Jacque

Creating An Income Tax Exemption for Wisconsin Taxpayers

Madison, WI – Representative Cody Horlacher (R-Mukwonago) and Senator André Jacque (R-DePere) introduced legislation relating to an income tax exemption for cash tips paid to an employee.

Currently in Wisconsin, tipped employees make up the majority of the workforce in various service industries throughout the state. Many of these employees are high school students, young adults working their way through college, and parents from single-income homes. Under this bill, cash tips received by an employee would be exempt from state income tax. This would represent a great benefit to hard working folks across Wisconsin's robust tourism, restaurant, and tavern industries while providing businesses that use a tip structure a hiring incentive to recruit employees on the basis that they get to keep more of their own hard earned money.

"I am excited to introduce this legislation to reduce government intrusion and help to put more money in taxpayers' pockets." said Representative Horlacher.

"Filling hospitality jobs is critical for Wisconsin's economy. For what can be a tiring and often thankless job, this bill is a common-sense way to incentivize outstanding service and entry of young people into Wisconsin's workforce." Said Senator Jacque.

If passed, Wisconsin would be the first state in the country to create a state income tax exemption for cash tips paid to employees.

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