

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 701 **DATE:** March 1, 2011  
**Version:** As amended by the H0701A1 amendment  
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**Subject:** Income tax reciprocity study  
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### Overview

Directs the Department of Revenue to work with the Wisconsin Department of Revenue to conduct a study of the earnings of individuals who live in one state and work in the other. Requires a report to the legislature by March 1, 2013.

- 1** **Income tax reciprocity benchmark study.** Directs the Department of Revenue to work with the Wisconsin Department of Revenue to conduct an income tax reciprocity benchmark study. The study would use information from Minnesota and Wisconsin 2011 income tax returns of individuals who are residents of one state and have earnings in the other state. Requires the study to include:
  - The number of residents of each state with earnings in the other state;
  - The income earned by residents of one state who work in the other state;
  - The amount of tax revenue foregone or gained by each state if a reciprocity agreement were implemented under which taxpayers were required to pay income tax only in their state of residence.

Requires the report to be submitted to the legislature by March 1, 2013.