

## Bill Could Ease Tax Burden on UI Benefits

Written by Wisconsin Senate, Will Swassing

Wednesday, 31 March 2021 10:19 - Last Updated Friday, 02 April 2021 14:48

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***Carpenter, McGuire introduce proposal that would exempt the first \$10,200 in benefits from taxation.***

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MADISON – State Senator Tim Carpenter and State Representative Tip McGuire today introduced legislation to exempt the first \$10,200 of unemployment benefits (“UI”) received in 2020 and 2021 from state taxation. Federal law already provides the same for 2020.



“We know that folks have been hit hard by the pandemic, not only with their physical health, but also their financial well-being due to businesses closing or reopening at less than previous capacity,” said Carpenter. “This is a small step we can take to hopefully help out some people.”

“As our state recovers from the pandemic, it is critical that we provide assistance to the working families who were hit the hardest by the economic effects of COVID-19,” said Rep. Tip McGuire, “This bill puts money in the pockets of the Wisconsinites who need it most right now.”

“We have all heard from constituents this past year or more about the difficulties they have faced, from being unemployed for the first time, to the troubles they have had in getting their unemployment benefits, and then the idea of taxing those benefits, that’s not fair,” said

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Carpenter. “We owe it to people who have been hit hard during this time to not add an additional burden in the form of taxation on their UI benefits.”