



State of Wisconsin
2025 - 2026 LEGISLATURE

LRB-3407/1
JK:wlj

2025 BILL

1 **AN ACT** *to amend* 71.10 (4) (i); *to create* 20.835 (2) (er) and 71.07 (8w) of the
2 statutes; **relating to:** a refundable income tax credit for bicycle purchases and
3 making an appropriation.

Analysis by the Legislative Reference Bureau

This bill creates a refundable tax credit that may be claimed by individuals who purchase bicycles, including electric bicycles, for their dependents. The credit is equal to the price paid for each bicycle, limited to \$200 per dependent. The credit may be claimed only by individuals whose family income does not exceed 200 percent of the federal poverty line. Under the bill, the individual must submit with his or her tax return any documentation required by the Department of Revenue regarding the bicycle's purchase price. Because the credit is refundable, if an individual is eligible to claim an amount as a credit that exceeds his or her income tax liability, the individual receives the excess as a refund.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

BILL**SECTION 1**

SECTION 1. 20.835 (2) (er) of the statutes is created to read:

20.835 (2) (er) *Bicycle credit*. A sum sufficient to make the payments under s. 71.07 (8w).

SECTION 2. 71.07 (8w) of the statutes is created to read:

71.07 (8w) BICYCLE CREDIT. (a) *Definitions*. In this subsection:

1. "Claimant" means an individual whose family income does not exceed 200 percent of the federal poverty line established under 42 USC 9902 (2) for a family the size of the individual's family and who files a claim under this subsection.

2. "Dependent" has the meaning given in section 152 of the Internal Revenue Code.

(b) *Filing claims*. Subject to the limitations provided in this subsection, for taxable years beginning after December 31, 2024, a claimant may claim as a credit against the tax imposed under s. 71.02 an amount equal to the amount paid in the taxable year to purchase a bicycle, including an electric bicycle, for a dependent of the claimant. If the allowable amount of the claim under this paragraph exceeds the tax otherwise due under s. 71.02, the amount of the claim not used to offset the tax due shall be certified by the department of revenue to the department of administration for payment by check, share draft, or other draft drawn from the appropriation under s. 20.835 (2) (er).

(c) *Limitations*. 1. The maximum credit that a claimant may claim each year under this subsection is \$200 per dependent of the claimant.

2. A claimant shall submit with the claimant's return any documentation

BILL**SECTION 2**

1 required by the department regarding the amount paid for each bicycle for which a
2 credit is claimed under this subsection.

3 3. No credit may be claimed under this subsection by a part-year resident or a
4 nonresident of this state.

5 4. No credit may be allowed under this subsection unless it is claimed within
6 the period specified in s. 71.75 (2).

7 5. No credit may be allowed under this subsection for a taxable year covering
8 a period of less than 12 months, except for a taxable year closed by reason of the
9 death of the taxpayer.

10 (d) *Administration.* Subsection (9e) (d), to the extent that it applies to the
11 credit under that subsection, applies to the credit under this subsection.

12 **SECTION 3.** 71.10 (4) (i) of the statutes is amended to read:

13 71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland
14 preservation credit under ss. 71.57 to 71.61, farmland preservation credit, 2010 and
15 beyond under s. 71.613, homestead credit under subch. VIII, jobs tax credit under s.
16 71.07 (3q), business development credit under s. 71.07 (3y), research credit under s.
17 71.07 (4k) (e) 2. a., veterans and surviving spouses property tax credit under s.
18 71.07 (6e), bicycle credit under s. 71.07 (8w), enterprise zone jobs credit under s.
19 71.07 (3w), electronics and information technology manufacturing zone credit
20 under s. 71.07 (3wm), earned income tax credit under s. 71.07 (9e), estimated tax
21 payments under s. 71.09, and taxes withheld under subch. X.

22 (END)