

359.82

W7a

cop 1

RETURN TO
LEGISLATIVE
REFERENCE LIBRARY
MADISON 2, WISCONSIN

WISCONSIN - LEGISLATIVE REFERENCE LIBRARY

Veterans cash bonus for veterans of
World war II and the Korean conflict:
summary of Wisconsin legislation

1958

Brief no.60

LOAN COPY

RETURN TO LEGISLATIVE
REFERENCE BUREAU

LRL-B-560

BRIEF NO. 60. VETERANS CASH BONUS FOR VETERANS OF WORLD WAR II
AND THE KOREAN CONFLICT: SUMMARY OF WISCONSIN LEGISLATION

Prepared by the Wisconsin Legislative Reference Library, January 1958

This is a list of all legislation introduced in the Wisconsin legislature from 1945 to date, concerning the granting of a cash bonus for veterans of World War II and the Korean Conflict. Although the 1941 and 1943 Legislatures discussed the payment of a veterans bonus, the bills dealt with the final disposition of the World War I veterans bonus rather than with establishing a bonus for veterans of the world war then in progress.

The first proposal to pay a cash bonus to the veterans of World War II was expressed in Joint Resolution 79, S., 1945. Since that time, the question of a veterans bonus has come up in every session of the legislature, so far without affirmative results. However, the sentiment repeatedly has been expressed that, while Wisconsin did not pay a cash bonus to its veterans since World War II, the actual benefits available to Wisconsin veterans, such as housing loans, reduced hospital rates and other benefits make up for or even surpass the benefits which might be derived from any cash bonus--and without burdening the people with any additional taxation.

We quote from the report of the interim committee on veterans legislation (1947 Sen. Jour. p. 881):

"At several of the meetings, the general question 'What Kind of a Bonus Is Wisconsin Going to Pay to World War II Veterans?' was asked. This question was usually answered by some thorough-thinking veteran in the audience who was against such cash bonus and who felt that the present set-up of veterans affairs now operated by the state should be expanded, strengthened, and perpetuated to assist the deserving veteran and his dependents in time of emergent want so that he and his family are not in distress. The loaning features of the Wisconsin Department of Veterans Affairs were commended many times during the hearings."

1945

SJR 79

Introduced by Schlabach.

Created an interim committee on veterans legislation to make a scientific and systematic study and survey of the needs and requirements of the returning veterans of the state; and to study the desirability or necessity for remedial legislation. Adopted. (Enrolled as JR 91)

The interim committee on veterans legislation, established pursuant to JR 91 of 1945, made its report to the legislature on April 17, 1947 (1947 Sen. Jour. pp. 880-886). The report reads in part as follows:

"It is felt that a bonus, approximating the modest one which was paid veterans of World War I, would cost

in the neighborhood of \$120,000,000. The cash and educational bonus for World War I veterans cost the taxpayers in Wisconsin approximately \$20,000,000. World War II lasted more than three times as long as World War I and more than three times as many veterans participated in World War II as were on active duty in World War I.

"If any consideration is given for a bonus to differentiate between domestic and foreign service, the figure of \$120,000,000 is very low. If a state bonus with a minimum of 5, 3, or 100 dollars is enacted, the cost to the state can be multiplied by the corresponding ratios.

"In all fairness to the approximately 350,000 World War II veterans who served their country and state so valiantly in the past global conflict, it is the feeling of this committee that the question of whether a veterans bonus should or should not be paid is one which should be submitted to the people of Wisconsin at the next general election in the form of a referendum. If a referendum is decided upon by the present legislature, then the electorate should determine the form of taxation that should be levied to bring about sufficient funds for the payment of a veterans bonus.

"Your committee has labored long and diligently over this matter, wondering where the revenue could be collected to pay a bonus, and it feels that this matter should be submitted to the 1947 session of the Wisconsin Legislature by a joint resolution involving the following two questions:

- (1) Do you favor a cash bonus to qualified World War II Wisconsin Veterans?
- (2) If the bonus referendum carries, how would you like to finance it--by general sales tax, or selective sales tax?

"It was the consensus of your committee that the proposed revenue might be obtained by a general sales tax on all commodities or a selective sales tax on automobiles, cigarettes, cosmetics, gasoline, liquor, theater, etc."

1947

Bill 371, S. Introduced by Zablocki. Proposed to collect funds for a cash bonus for veterans of World War II by imposing a surtax on the normal state income tax. Indefinitely postponed in senate.

Details of the proposal: bonus of \$10 for each month in domestic and of \$15 for each month in foreign service, not to exceed \$250 for domestic or \$500 for foreign service, to be financed by a surtax of 60% of the regular state income tax.

1947 (Con'd)

SJR 58

Introduced by Joint Interim Committee on Veterans' Legislation. Provided for a referendum on a veterans bonus to be financed by a 3% tax on retail sales. Adopted. Enrolled as JR 62.

In the general election of November 2, 1948, the following question was submitted to the people:

"Shall the legislature enact a 3 per cent retail sales tax to raise a total sum not to exceed \$200,000,000 to be used to finance a bonus for veterans of World War II?" The referendum was rejected: for, 258,497; against, 825,990.

SJR 66

Introduced by Gawronski, Lytle, Reuther, Tehan and Zablocki. Constitutional amendment to permit the state to borrow money to finance a veterans bonus. Rejected in senate.

Bill 191, A. Introduced by Beggs, Gehrman, Mullen, O'Connell, Steffens and Tremain. Veterans bonus to be financed by a 60% surtax on the regular state income tax. Indefinitely postponed in assembly.

Bill 401, A. Introduced by Committee on Taxation. Establishment of a veterans cash bonus trust fund. Indefinitely postponed in assembly.

AJR 89

Introduced by McParland, Molinaro and O'Connell. To amend Art. VIII, sec. 7, of the Constitution, to extend the borrowing power of the state so that the state may contract a public debt to "pay a bonus or other benefits to veterans of the armed forces." Rejected in assembly.

1949

Bill 330, A. Introduced by O'Connell, Steffens, Tremain and Zellinger. Compensation to Wisconsin veterans of World War II or their dependents (cash bonus). Indefinitely postponed in assembly.

Details of the proposal:

Eligibility - a minimum of 90 days of service in the armed forces between September 16, 1940 and September 2, 1945.

Payments - \$10 per month for domestic service, \$15 per month for foreign (incl. Alaska) service. Minimum payment \$50 (to qualify for minimum payment only the time limit is extended until December 1, 1945). Maximum payment \$500; surviving dependents of servicemen killed in action (regardless of length of service) to receive \$900.

Financing - surtax 60% of normal income tax or optional gross receipts tax; surtax 10% of corporate income tax; increase in inheritance taxes; surtax 10% of transfer of property tax; additional emergency tax on transfer of property.

1949 (Con'd)

Bill 675, A. Introduced by Lynch. Created a veterans cash bonus trust fund; and appropriated certain funds (including the registration fees on commercial motor vehicles and the inheritance taxes) for this purpose. Indefinitely postponed in assembly.

AJR 4 Introduced by Nelson. Memorializing Congress to provide a bonus for World War II veterans. Returned to author.

1951

Bill 66, A. Introduced by Landowski and Schaeffer, Jr. "Pay-as-you-go" veterans bonus fund. Returned to author.

Eligibility - any person who served in the armed forces of the United States between Sept. 16, 1940, and July 24, 1947, for a minimum of 90 days.

Payments - \$10 per month for domestic service; \$15 per month for overseas service; minimum payment \$30, maximum payment \$500.

After registering, all applicants are grouped according to the size of their claim: \$500 constitutes group I, \$495 constitutes group II, etc. The state is to pay all claims arising under this law as it receives the money, paying first group I, then group II until all claims are paid; therefore the name "pay-as-you-go" veterans bonus.

Financing - funds for this bonus are to be raised by imposing a surtax of 25% of the normal income tax or of the gross receipts tax. In addition, a certain portion of the tax on intoxicating liquors is appropriated to the bonus fund; and the legislature is to make a special appropriation annually for this fund.

Bill 166, A. Introduced by Lourigan and Molinaro. Appropriation for cash bonus for World War II veterans by imposing a 25% surtax on net income tax. Indefinitely postponed in assembly.

Eligibility - all persons who served in the United States armed forces between Aug. 27, 1940 and Dec. 31, 1946.

Bill 218, A. Introduced by O'Connell, Tremain and Zellinger. Compensation to veterans of World War II and the Korean Conflict; compensation to the surviving dependents of such veterans; created a veterans compensation trust fund; provided for the administration thereof and imposed certain taxes and penalties. Returned to author.

Eligibility - August 27, 1940 to July 25, 1947 after June 25, 1950.

Payments - as in Bill 330, A., of 1949.

Financing - surtax of 10% on normal income tax, gross receipts tax, or corporate income tax, but

1951

Bill 218, A. allowing all honorably discharged veterans an additional \$2,000 exemption before computing their state income taxes; additional sources were inheritance tax and an emergency tax levied on taxable transfers of property.
(Con'd)

Bill 351, A. Introduced by Bichler. Cash bonus for World War II and Korean Conflict veterans. Returned to author.
Eligibility - Dec. 7, 1941 to Sept. 2, 1945; June 24, 1950 until 30 days after termination of Korean Conflict; minimum service 90 days; honorable discharge.
Payments - \$10 per month for domestic service; \$20 per month for overseas service; no minimum, maximum \$500.
Financing - beginning July 1, 1951 about 50% of the occupational tax on intoxicating liquors, and 80% of the surplus in the veterans housing fund.

Bill 476, A. Introduced by Lynch. Establishment of a veterans cash bonus trust fund; financed by registration fees on commercial motor vehicles, surtax of 10% on personal income taxes, increased gift and inheritance taxes; making an appropriation. Indefinitely postponed in assembly.

1953

Bill 406, A. Introduced by LaFave. Surtax on net incomes to provide cash bonus for certain war veterans. Returned to author.
Payments - \$10 per month for domestic service; \$15 for overseas service per month; no minimum, maximum \$500, payment in equal quarterly instalments.
Financing - 25% surtax on normal personal and corporation income tax, 2% surtax on gross receipts tax.

1955

Bill 96, S. Introduced by Draheim. Veterans having received bonuses from other states are not eligible to receive Wisconsin veterans benefits. Chapter 20, Laws of 1955.

AJR 40 Introduced by Molinaro and Sokolowski. Related to an interim study of the advisability of establishing a veterans bonus in Wisconsin. In particular, the committee was to study the following problems: 1. The terms of eligibility, 2. The method and type of payment, 3. The method of financing the program. Returned to authors.

1957

Bill 584, A. Introduced by Committee on Veterans and Military Affairs by request. Billboard tax to raise funds for

1957

Bill 584, A. veterans bonus. Indefinitely postponed in assembly.

(Con'd)

Eligibility - veterans who have received bonus payments from other states are excluded.

Payments - \$10 for domestic service; \$15 for overseas service; minimum \$50, maximum \$500. The obligation incurred by the state under this bill would be certified to each veteran in the form of an "adjusted compensation certificate" becoming payable in 20 years (after June 30, 1977).

Financing - funds for the redemption of the "adjusted compensation certificates" to be raised by a tax on the income derived from leasing lands for outdoor advertising purposes. The amount of the tax payable by each landlord determined by the size of the billboard erected rather than by the area of the land under contract.

Estimated cost - (from fiscal note on bill)

For veterans of World War II	\$129,294,825
Peace-time (7/26/47 to 6/26/50). . . .	5,329,425
For veterans of Korean Conflict. . . .	42,523,250
Peace-time (2/1/55 to 7/1/57). . . .	<u>4,415,830</u>

\$181,563,330

AJR 41

Introduced by Duffey, Murphy, Ryczek, C. J. Schmidt, Sobocinski, Sokolowski, Sussman, and Talsky. Directed the Legislative Council to make an interim study of the advisability of establishing a veterans cash bonus in Wisconsin. Rejected in assembly, 48-38.

AJR 108

Introduced by Blanchard, Hutnik, Morton and Wackett. Created an interim committee of citizens, legislators and representatives of the veterans organizations to study the feasibility of providing a veterans bonus and financing it under the provisions of Bill 584, A., of 1957. The committee was to report its findings to the 1959 Legislature. Rejected in assembly, 47-44.