

Income Tax Deduction for Donating a Human Organ

This Act permits a living person or their dependent who donates one of their human organs for transplant to another person to subtract up to \$10,000 from their federal adjusted gross income as reported on their state income tax, and to claim a deduction for related, unreimbursed expenses for travel, lodging and lost wages. The Act defines “human organ” as all or part of a liver, pancreas, kidney, intestine, lung, or bone marrow. This SSL draft Act is based on Wisconsin Act 119 of 2003. Wisconsin’s law is reported to be the first of its kind.

Submitted as:

Wisconsin

[2003 Act 119](#)

Status: Enacted into law in 2004.

Suggested State Legislation

(Title, enacting clause, etc.)

1 Section 1. [*Short Title.*] This Act may be cited as “An Act to Create an Individual Income
2 Tax Subtraction for People Who Donate or Whose Dependents Donate, a Human Organ.”
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4 Section 2. [*Subtraction from Federal Adjusted Gross Income as Reported on State*
5 *Income Tax for Donating a Human Organ.*]

6 (A) Subject to the conditions in this paragraph, an individual may subtract up to
7 [\$10,000] from federal adjusted gross income if he or she, or his or her dependent who is
8 claimed under section 151 (c) of the Internal Revenue Code, while living, donates one or more of
9 his or her human organs to another human being for human organ transplantation, as defined in
10 [insert citation], except that in this paragraph, “human organ” means all or part of a liver,
11 pancreas, kidney, intestine, lung, or bone marrow. A subtract modification that is claimed under
12 this paragraph may be claimed in the taxable year in which the human organ transplantation
13 occurs.

14 (B) An individual may claim the subtract modification under subdivision (A) of this
15 section only once, and the subtract modification may be claimed for only the following
16 unreimbursed expenses that are incurred by the claimant and related to the claimant’s organ
17 donation:

- 18 a. Travel expenses.
- 19 b. Lodging expenses.
- 20 c. Lost wages.

21 (C) The subtract modification under subdivision (A) may not be claimed by a part-year
22 resident or a nonresident of this state.

23 (D) This section first applies to taxable years beginning on [January 1] of the year in
24 which this Act takes effect, except that if this Act takes effect after [July 31], this section of this
25 Act first applies to taxable years beginning on [January 1] of the year following the year in
26 which this Act takes effect.

27 Section 3. [*Severability.*] [Insert severability clause.]

28 Section 4. [*Repealer.*] [Insert repealer clause.]
29

30 Section 5. [*Effective Date.*] [Insert effective date.]
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