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State of Wisconsin  
Governor Scott Walker



TO: **W-2 Agencies  
Training Staff**

FROM: Ed Emmons, Interim Director  
Bureau of Working Families  
Division of Family and Economic Security  
Department of Children and Families

**BWF OPERATIONS MEMO**

No: 18-16  
DATE: 08/02/2018

W-2 ☒ EA ☒ CF ☐ JAL ☒  
RAP ☐ TMJ ☐ TJ ☐ Other EP ☐

**SUBJECT: 2018 Child Sales Tax Rebate**

**CROSS REFERENCE:** [2017 Wisconsin Act 367](#)

**EFFECTIVE DATE:** Immediately

**PURPOSE**

The purpose of this Operations Memo is to communicate information on the Child Sales Tax Rebate and instructions on how to treat the Child Sales Tax Rebate when determining financial eligibility for Wisconsin Works (W-2), Emergency Assistance, and Job Access Loans.

**BACKGROUND**

2017 Wisconsin Act 367 created a one-time Child Sales Tax Rebate for sales and use tax paid in 2017 on purchases made for raising a dependent child. Individuals who claim the rebate will receive \$100 for each qualifying child. A qualifying child must be under 18 years of age for the entire year of 2017; a resident of Wisconsin on December 31, 2017; a United States citizen; and a dependent of the claimant for tax year 2017. Individuals who did not file a 2017 tax return may be eligible to claim this rebate.

Individuals had the opportunity to apply for the Child Sales Tax rebate beginning May 15, 2018 through July 2, 2018. The rebate is to be paid by September 1, 2018; however, most individuals will receive their rebate within three weeks of application. The Wisconsin Department of Revenue is authorized to intercept any state tax refund or refundable credit, including the Child Sales Tax Rebate, to pay debts owed to the department and other government agencies.

Section 3 of the Act includes instructions on how to treat receipt of the one-time Child Sales Tax Rebate when determining eligibility. A state agency must disregard a one-time Child Sales Tax Rebate payment in determining the individual's eligibility for a federally funded grant, loan, monetary assistance, or other benefit or in determining the amount or extent of that grant, loan, monetary assistance, or other benefit.

### ***WISCONSIN WORKS, EMERGENCY ASSISTANCE, AND JOB ACCESS LOANS***

W-2 agencies must disregard as income the entire amount of any Child Sales Tax Rebate payment in the month received. The agency also must disregard as an asset the entire amount of any Child Sales Tax Rebate payment for a period of 12 months from the date of receipt.

### ***ACTION REQUIRED***

W-2 agencies must discuss the instructions for treatment of the one-time Child Sales Tax Rebate with staff and update any relevant local agency procedures.

### ***CONTACTS***

For W-2 Policy Questions in the Balance of State: Bureau of Regional Operations, W-2 Regional Coordinators

For W-2 Policy Questions in Milwaukee: Milwaukee Operations Section Regional Administrators

For W-2 CARES Processing Questions: W-2 Help Desk

DCF/DFES/BWF/LW