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those who lose money at the gambling table -- may be eligible for bigger breaks on their state taxes this year.

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Wisconsin taxpayers who pay for college tuition, health insurance or child care — and those who lose money at the gambling table — may be eligible for bigger breaks on their state taxes this year.

There are few changes in Wisconsin income tax rules from 2011 to 2012, said Mike Scholz, tax partner with Wegner CPAs, Madison. But those are some of the categories that did see adjustments and deserve extra attention as taxpayers fill out their state returns, he said.

Meanwhile, the state Department of Revenue is out with a new mobile app that will let taxpayers get information about their tax payments or their refund, wherever they are. And officials said they are hoping more than four of every five Wisconsin taxpayers will file electronically this year.

# Changes in tax laws

Changes in state income tax laws for individuals include:

- -Health insurance premium deduction.
- -Child and dependent care expenses deduction.
- -Tuition deduction.

For health insurance, workers whose company pays a chunk of the premium cost can now deduct 45 percent of their own payments, up from 25 percent last year.

It doesn't apply to those who set aside part of their paycheck, pre-tax, in a cafeteria

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Up to \$6,543 of tuition costs can be deducted in 2012, an increase from \$6,185 in 2011. That deduction has risen almost every year since 2004, when it was \$3,000. But it is the maximum amount a taxpayer can take. It phases out above certain income levels, and it only applies to Wisconsin higher education institutions and those in Minnesota covered by a reciprocity agreement between the two states.

### New credits for businesses

Businesses and business investors can take advantage of new credits for biodiesel fuel production, electronic medical records, and employing veterans.

Companies can, for the first time, take a state tax credit of \$2,000 for every unemployed veteran hired for a part-time job and \$4,000 for those hired for full-time work. The veterans have to meet certain qualifications, though, including a service-related disability.

Health care providers can claim up to \$10 million in state tax credits for buying electronic medical records hardware and software that is certified by the federal government. And biofuel producers that manufacture at least 2.5 million gallons of biodiesel a year can claim a credit of up to \$1 million.

# A win for gamblers

There are new state and Internal Revenue Service rules this year on deducting gambling expenses, Wegner CPAs' Scholz said, and they apply whether the gambling takes place in Wisconsin or elsewhere.

In the past, for example, someone who won \$1,000 from gambling but then lost it all would have to pay taxes on the \$1,000 in winnings, anyway.

Now, a person who wins but then loses those winnings in the same gambling session

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machine. In most cases, they're breaking even if they're lucky," he said.

The hard part is going to be figuring out how to document the activity, Scholz added.

Taxpayers can support Special Olympics

For those who like to support causes as they pay their taxes, Special Olympics is now one of 10 donation opportunities.

Last year, a total of \$1,079,661 was donated through 32,378 tax returns, the revenue department said.

That may sound like a small percentage, but with nearly two-thirds of all tax returns prepared by paid preparers, taxpayers don't always know the checkoffs are available when they drop off their statements and receipts, Scholz said.

### Officials encourge e-filing

State officials are pushing residents to file electronically, rather than on printed forms.

"We're now at, roughly, 80 percent of individual returns e-filed," said Richard Chandler, Wisconsin Revenue secretary. "It's easy, secure and very accurate. You can receive confirmation immediately when your return is filed and best of all, you can receive your refund within days rather than waiting for weeks, when you e-file."

Chandler said Wisconsin was among the top 10 states in its percentage of e-filed returns last year, according to the Federation of Tax Administrators.

The revenue department released a mobile application on January 3 for taxpayers to get information, on-the-go.

"Folks can use it to look up their refund. They can also use it to see if there is a free

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Last year, the average retains was 4003.17, the Revenue Department said

Scholz said taxpayers who didn't have many changes in their income last year will probably get a similar refund this year. "Wisconsin withholding tables did not change between 2011 and 2012 and the tax rates haven't changed, either," he said. "(So) their refunds should be almost exactly the same."

The state expects about 3 million income tax returns to be filed.

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