The New York Times
nytimes.com

January 23, 2004

Wisconsin Senate Approves Tax Deduction for Organ Donors

By JO NAPOLITANO

The Wisconsin State Senate passed a bill on Thursday calling for a state income tax deduction of up to $10,000 to cover expenses for residents who donate their organs. Supporters say it is the most ambitious move by a state government to increase transplants.

The bill, which was overwhelmingly approved by the State Assembly in November, passed in the Senate by a vote of 28 to 2 and will now go to Gov. James E. Doyle, a Democrat, who has said he will sign it into law.

"I'm very supportive of it," Mr. Doyle said. "This is a big issue in Wisconsin."

The law will allow donors to deduct from their taxable income the costs they incur from donating all or part of a liver, pancreas, kidney, intestine, lung or bone marrow. Eligible expenses include travel, lodging and lost wages, and the maximum deduction is $10,000. The law is expected to cost the state about $115,000 annually, the bill's sponsors say.

Critics of the legislation question whether such a tax credit would violate the 20-year-old National Organ Transplant Act. The federal law bans the purchase or sale of human organs, an industry that spawned organ brokers overseas but that is a crime in the United States punishable by a $50,000 fine and a five-year prison term.

"When you get as high as $10,000 you start to wonder what that means to people and if there is some coercion that goes on with that," said Howard M. Nathan, president and chief executive of the Gift of Life Donor Program, a nonprofit agency in Philadelphia.

But State Representative Steve Wieckert, a Republican from Appleton who sponsored the bill, said it was not intended to offer cash for human organs. Instead, the tax credit would help remove an obstacle that prevents people from donating, he said.

"We want to be very careful that we are not getting into the business of selling organs but to encourage organ donation," Mr. Wieckert said. "No one, rich or poor, would receive any additional money for donating. All they would do is lose less money."

Mr. Wieckert said that the federal ban on payment for organs excludes costs associated with travel, lodging and lost wages, so the law would be within federal guidelines.

One Wisconsin organ donor says he knows all too well the need for financial reimbursement for the people who undergo such procedures. The man, Marty Monroe, donated a kidney to his son, Cody, who was 5 in December 2001 when he suffered kidney failure. Mr. Monroe, who is married with three children, was out of work for three months and lost $6,000 in wages after the surgery.

"These days, if you miss a payment on your bills, they call the collection agency and they can repossess your house," said Mr. Monroe, a truck driver who lobbied for passage of the bill. "I think the law is fine. They're not giving money for organs, but helping people survive after giving the gift of life."

State Representative Bob Ziegelbauer, a Democrat from Manitowoc, northeast of Madison, was the only Assembly member to vote against the bill, saying it would needlessly complicate the tax code for a marginal deduction at a time when his state faces a fiscal crisis.

"Why should the government be in the business of handing out rewards to people when they do good things?" he said. "I think we need to keep the tax code simple and understandable."

Wisconsin is not the first state to try to create incentives to increase organ donations. Indiana is considering nearly identical legislation.

The Kansas Legislature considered approving a tax break for blood and organ donation in 2000, but the bill stalled in committee after the state's attorney general wrote in an opinion that the proposal was prohibited by federal law.