

Wisconsin's New Vet Loan Repayment Program Explained

Nate: Well, Andy, one of the recurring topics we find as we meet with our veterinary clients around Wisconsin is the difficulty in recruiting new DVMs to the practice, especially for those folks that happen to be located in more rural locations. So it's been an industry issue that's been front of mind for many, and it seems like we've got an attempt at the state level to have a bit of relief for those practices and help secure care for folks in those communities.

Andy: Yeah, we hear it all the time, right? There's more money in small animal. There's more money in the corporate practices in the urban areas. I can graduate and go get a big signing bonus. I'm coming out of debt with, or I'm coming out of school with a lot of debt. I want to start my career. Probably want to look at a home and so, you know, we all understand it. We get it. If you're a graduate, you know, sometimes you're going to follow that money, especially for that first offer.

Nate: That's right, and ultimately recently passed was veterinary, rural veterinarian Loan Repayment Program. The exact bill number is like 505 but it's Senate Bill 501 or something like that. But within that bill, they touch on a number of items in terms of who qualifies and what this can kind of quantify as. And within that they talk a little bit about some of the eligibility and who an eligible applicant is, and that is anybody that is in the final year of their veterinary medicine program from an accredited institution, or anyone that was awarded a degree from an accredited veterinary school. And they seem to indicate that more recent years, graduating like 2025 would be the first year to which that some of these provisions would apply. They also quantified the loan as being eligible for up to \$25,000 a year, and up to \$100,000 per person, kind of capped lifetime. So really, really nice incentive to help folks that might be considering how to tackle some of their student debt to make some of those other locations as attractive as maybe some more urban areas and small animal specialties.

Andy: Yeah, the obvious use, the obvious spirit here, is to, you know, give newer graduates, or recent graduates, the push to service the rural communities, you know, and especially as we're starting to see a little bit of a tide turning on, you know, the culture in corporate practices. It's, it's an incentive, right? If you, if you can go out to a rural community for your first job, you know, you have a couple \$100,000 of debt, if you can get relief for, you know, maybe half of that, you know, \$25,000 a year for up to four years, max of \$100,000 I think that's a great incentive.

Nate: It is, and a nice little add on to that, like you mentioned, the goal with this is to give people a little bit of incentive. So they actually created a Wisconsin income tax subtraction for these grant awards as well, so that's going to be available for tax years after December 31, 2024 because when

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they craft these laws, right, they always pick a year end date is kind of the hard and fast date for that. So really nice that at least at state level, probably not federal, but at least the state level trying to get some relief on the tax implications as well.

Andy: Yeah, and a couple other interesting tidbits in the bill. And of course, definitions and details are going to be real key as this rolls out, there'll be applications, there'll be verification process, but obviously there's also a challenge of, of servicing large animal and farm animals, right? And so one of the provisions in here to qualify is that you know at least 50% of your, of your services as a DVM are to, are provided to farm animals, right, in a defined rural community. So again, we'll have to look into the definitions of that. There'll be a verification process for all that. But again, the focus is on servicing, you know, the local community, the farms, you know, in rural Wisconsin.

Note: Yeah, to your point, I think there's going to be some further advocacy needed here, but also, also some education, right? There's going to be a lot of folks that this will be an option for them, and they'll either maybe heard little tidbits about it, or maybe not at all. So having this kind of in your back pocket as a recruiting tool, and also having this at the forefront for some of those accredited institutions is going to be paramount to help take advantage of this.

Andy: Yeah, and I heard you say the word advocacy. So really, while this is something to celebrate in the in the veterinary community, it's not done, right? You know, those details still need to be hashed out. And most importantly, we have a bill. It's been passed, it's been signed, but guess what? It hasn't been funded. How many times do we hear about that? Right? Great legislation, now we got to figure out how to pay for it. So that comes next. And from what I read, that should be in the spring of 2027, you know, when they do their biannual budget reconciliation process. They'll go through that and figure out, okay, we got this bill, where are we going to get the funds to allocate to this program?

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