

1 subject to redemption, including any premium payable with respect thereto and
2 any interest accrued or to accrue thereon;

3 ••87b2549/1••SECTION 201pi. 66.521 (3) (b) 2 of the statutes is amended
4 to read:

5 66.521 (3) (b) 2. To fund or refund the whole or any part of any revenue
6 bonds theretofore issued by ~~such~~ any municipality, by the Wisconsin housing
7 finance authority, the Wisconsin health and educational development authority
8 or any county, including any premium payable with respect thereto and any
9 interest accrued or to accrue thereon; or

10 ••87b2549/1••SECTION 201pL. 66.521 (3) (b) 3 of the statutes is amended
11 to read:

12 66.521 (3) (b) 3. For any combination of the purposes under subd. 1 ~~or~~ to
13 2.

14 ••87b2549/1••SECTION 201pn. 66.521 (4) (c) of the statutes is amended to
15 read:

16 66.521 (4) (c) The bonds may be executed and delivered at any time; be in
17 such form and denominations, without limitation as to the denomination of any
18 bond, any other law to the contrary notwithstanding; be registered under s.
19 67.09; be payable in one or more instalments and at such time, not exceeding
20 35 years from their date or, in the case of refunding bonds, 35 years from the
21 date of the refunded bonds; be payable prior to maturity on such terms and
22 conditions; be payable both with respect to principal and interest at such
23 place in or out of this state; bear interest at such rate, either fixed or
24 variable in accordance with ~~such~~ any formula or rate determining procedure set
25 forth under sub. (6) (b); be evidenced in such manner; and may contain other
26 provisions not inconsistent with this section, as specified by the governing
27 body.

1 ••87b2549/1••SECTION 201pp. 66.521 (4m) (b) of the statutes is amended to
2 read:

3 66.521 (4m) (b) Any revenue agreement which an eligible participant
4 enters into with a municipality to finance a project shall require the eli-
5 gible participant to submit to the department of development at the time of
6 issuance of the refunding bonds or within 12 months after the project is com-
7 pleted or 2 years after a revenue bond is issued to finance the project,
8 whichever is sooner, on a form prescribed under s. 560.034 (1), the net number
9 of jobs eliminated, created or maintained on the project site and elsewhere in
10 this state as a result of the project.

11 ••87b2549/1••SECTION 201pr. 66.521 (6) (b) of the statutes is amended to
12 read:

13 66.521 (6) (b) The determination and findings of the governing body shall
14 be embodied in the proceedings under which the proposed bonds are to be
15 issued; but the ~~foregoing~~ amounts under par. (a) need not be expressed in
16 dollars and cents in the revenue agreement and proceedings under which the
17 bonds are authorized to be issued, but may be set forth in the form of a for-
18 mula or procedure for making such determination. Prior to the issuance of the
19 bonds authorized by this section the municipality shall enter into a revenue
20 agreement providing for payment to the municipality or to the trustee for the
21 account of the municipality of such amounts as, upon the basis of such
22 determination and findings, will be sufficient to pay the principal of, and
23 interest on, the bonds issued to finance the project; to build up and maintain
24 any reserves deemed advisable by the governing body, in connection therewith;
25 and, unless the revenue agreement obligates the eligible participant to pro-
26 vide for the maintenance of and insurance on the project, to pay the costs of
27 maintaining the project in good repair and keeping it properly insured.

1 ••87b2549/1••SECTION 201pt. 66.521 (7) (gm) of the statutes is created to
2 read:

3 66.521 (7) (gm) The costs of refunding or prepaying, by redemption or
4 purchase, bonds or, in the case of charitable organizations, other
5 indebtedness, theretofore issued or incurred with respect to a project,
6 including any premium payable with respect thereto and any interest accrued or
7 to accrue thereon;

8 ••87b2549/1••SECTION 201ptj. 66.521 (13) (b) 1. a and b of the statutes
9 are amended to read:

10 66.521 (13) (b) 1. a. Pollution control facilities which have not been
11 placed into service on the date of adoption of the initial resolution; ~~or~~

12 b. Personal property which will either be substantially reconstructed,
13 rehabilitated, rebuilt or repaired in connection with the financing or which
14 represents less than 10% of the entire financing. Personal property shall be
15 deemed owned only after 50% of the acquisition cost thereof has been paid and
16 such property has been delivered and installed-; or

17 ••87b2549/1••SECTION 201pu. 66.521 (13) (b) 1. c of the statutes is
18 created to read:

19 66.521 (13) (b) 1. c. Facilities owned by a charitable organization at
20 least 90% of which are used in furtherance of the charitable organization's
21 purposes.

22 ••87b2549/1••SECTION 201pv. 66.521 (13) (b) 2. c and d of the statutes
23 are amended to read:

24 66.521 (13) (b) 2. c. For acquiring improvements which will themselves be
25 substantially improved or rehabilitated in connection with the project, which
26 represent less than 25% of the entire financing, or the cost of which is less
27 than 33% of the cost of the real property to which they are appurtenant which
28 is also being acquired; ~~or~~

1 d. As are incurred after the date of adoption of the initial resolution
2 for constructing improvements-; or

3 ••87b2549/1••SECTION 201pw. 66.52 (13) (b) 2. e of the statutes is
4 created to read:

5 66.52 (13) (b) 2. e. For facilities owned by a charitable organization at
6 least 90% of which are used in furtherance of the charitable organization's
7 purposes.

8 ••87b3412/2••SECTION 201pwm. 66.755 of the statutes is created to read:

9 66.755 FACILITY USER SURCHARGE. The common council of any city may enact
10 an ordinance imposing a surcharge on the privilege of furnishing any sports
11 event for profit or entertainment event for profit in any facility owned by
12 that city or by a nonprofit corporation created under ch. 232 and operated by
13 that city or by any nonprofit corporation if the event is available to the
14 public. The surcharge shall be on the gross receipts from the charges col-
15 lected for attending events at the facility and may not exceed 5% of the cost
16 of admission to any event. In the ordinance under this section, the city may
17 provide for the collection and enforcement of that surcharge and may provide
18 that persons violating the ordinance may be required to forfeit not less than
19 \$100 nor more than \$500.

20 ••87b2886/1••SECTION 201r. 67.12 (12) (a) of the statutes is amended to
21 read:

22 67.12 (12) (a) Any municipality may issue promissory notes as evidence of
23 indebtedness for any public purpose, as defined in s. 67.04 (1) (b), for any
24 general and current municipal expense, and to refinance any municipal
25 obligations, including interest thereon. Each note, plus interest, shall be
26 repaid within 10 years after the original date of the note, except that notes
27 issued under s. 144.241 shall be repaid within 20 years after the date of
28 completion of the treatment work project which they fund.

1

2 ••87b3711/1••SECTION 201t. 70.03 of the statutes is amended to read:

3 70.03 DEFINITION REAL PROPERTY. The terms "real property", "real estate"
4 and "land", when used in chs. 70 to 79, shall include not only the land itself
5 but all buildings and improvements thereon, and all fixtures and rights and
6 privileges appertaining thereto, except that for the purpose of ~~vacation~~
7 ~~time-sharing properties~~ time-share property, as defined in s. 707.02 (32),
8 real property does not include recurrent exclusive use and occupancy on a
9 periodic basis or other rights, including, but not limited to, membership
10 rights, vacation services and club memberships.

11 ••87-5354/1••SECTION 202. 70.05 (1m) of the statutes is repealed.

12 ••87b3356/1••SECTION 202c. 70.05 (5) (a) 3 of the statutes is created to
13 read:

14 70.05 (5) (a) 3. "Major class of property" means any class which includes
15 more than 5% of the full value of the taxation district.

16 ••87b3356/1••SECTION 202g. 70.05 (5) (c) of the statutes is amended to
17 read:

18 70.05 (5) (c) Annually beginning in ~~1982~~ 1992, the department of revenue
19 shall determine the ratio of assessed value to full value of all taxable gen-
20 eral property of each taxation district and of each major class of property
21 under s. 70.32 (2) of each taxation district and publish its finding in the
22 report required under s. 73.06 (5).

23 ••87b3356/1••SECTION 202h. 70.05 (5) (f) and (g) of the statutes are
24 created to read:

25 70.05 (5) (f) Beginning in 1992, if the department of revenue determines
26 that the assessed value of the taxation district, including 1st class cities,
27 has not been established so that the ratios of assessed value to full value of
28 any 2 major classes of property under s. 70.32 (2) are within 10% of each

1 other at least once during the 4-year period consisting of the current year
2 and the 3 preceding years, the department shall notify the clerk of the taxa-
3 tion district in writing on or before November 1 of the year of determination
4 that the district's assessment staff is required to participate in the program
5 under s. 73.08 (3) during the next year.

6 (g) If, in the year after the year in which a taxation district's
7 assessment staff participates in the program under s. 73.08 (3), the depart-
8 ment of revenue determines that the ratios of assessed value to full value of
9 any 2 major classes of property under s. 70.32 (2) are not within 10% of each
10 other, the department shall order special supervision under s. 70.75 (3) for
11 that taxation district for the succeeding year's assessment. That order shall
12 be in writing and shall be mailed to the clerk of the taxation district on or
13 before November 1 of the year of the determination.

14 ••87b3711/1••SECTION 202k. 70.095 of the statutes is amended to read:

15 70.095 (title) ASSESSMENT ROLL; TIME-SHARE PROPERTY. For the purpose of
16 ~~vacation time-sharing condominiums, a condominium association~~ time-share
17 property, as defined in s. ~~703.02 (1m)~~ 707.02 (32), a time-share instrument,
18 as defined in s. 707.02 (28), shall provide ~~in its bylaws under s. 703.10~~ a
19 method for allocating real property taxes among ~~its members~~ the time-share
20 owners, as defined in s. 707.02 (31), and a method for giving notice of an
21 assessment and the amount of property tax to ~~its members~~ the owners. Only one
22 entry shall be made on the assessment roll for each building unit within the
23 ~~condominium~~ time-share property, which entry shall consist of the cumulative
24 real property value of all time-share parcels ~~for each building~~ interests in
25 the unit.

26 ••87b3594/1••SECTION 202m. 70.11 (15m) of the statutes is created to
27 read:

1 70.11 (15m) SECONDARY CONTAINMENT STRUCTURES. Secondary containment
2 structures used to prevent leakage of liquid fertilizer or pesticides.

3 ••87-5329/1••SECTION 203. 70.11 (21) (c) of the statutes is amended to
4 read:

5 70.11 (21) (c) A prerequisite to exemption under this subsection is the
6 filing of a statement on forms prescribed by the department of revenue with
7 the department of revenue. This statement shall be filed not later than
8 ~~February 1~~ January 15 of the year in which a new exemption is requested or in
9 which a waste treatment facility that has been granted an exemption is
10 retired, replaced, disposed of, moved to a new location or sold.

11 ••87-5329/1••SECTION 204. 70.11 (21) (d) of the statutes is created to
12 read:

13 70.11 (21) (d) The department of revenue shall allow an extension to
14 February 15 of the due date for filing the report form required under par. (c)
15 if a written application for an extension, stating the reason for the request,
16 is filed with the department of revenue before January 15.

17 ••87-5327/2••SECTION 205. 70.11 (21) (e) of the statutes is amended to
18 read:

19 70.11 (21) (e) On or before March 1 of each year the department of
20 revenue shall notify the owner and the local assessor of each taxation dis-
21 trict wherein such property is located as to the taxability or nontaxability
22 of such nonmanufacturing property.

23 ••87-5327/2••SECTION 206. 70.11 (21) (f) of the statutes is created to
24 read:

25 70.11 (21) (f) If property about which a statement has been filed under
26 par. (c) is determined to be taxable, the owner may appeal that determination
27 to the tax appeals commission under s. 73.01 (5) (a), except that assessments
28 under s. 76.07 shall be appealed under s. 76.08.

1 ••87b3353/1••SECTION 206c. 70.111 (3) of the statutes is amended to read:
2 70.111 (3) BOATS. Watercraft employed regularly in interstate traffic.
3 Watercraft laid up for repairs. All pleasure watercraft used for recreational
4 purposes. Commercial fishing boats.

5 ••87b2743/1••SECTION 206e. 70.111 (22) of the statutes is created to
6 read:

7 70.111 (22) RENTED PERSONAL PROPERTY. Personal property held for rental
8 for periods of one month or less to multiple users for their temporary use, if
9 the property is not rented with an operator, if the owner is not a subsidiary
10 or affiliate of any other enterprise which is engaged in any business other
11 than personal property rental, if the owner is classified in group number 739,
12 industry number 7394 of the 1972 standard industrial classification manual
13 published by the U.S. office of management and budget and if the property is
14 equipment, including construction equipment but not including automotive and
15 computer-related equipment, television sets, video recorders and players,
16 cameras, photographic equipment, audiovisual equipment, photocopying
17 equipment, sound equipment, public address systems and video tapes; party
18 supplies; appliances; tools; dishes; silverware; tables; or banquet
19 accessories.

20 ••87b2567/2••SECTION 206m. 70.113 (2) (a) of the statutes is amended to
21 read:

22 70.113 (2) (a) Towns, cities or villages shall be paid for forest lands
23 as defined in s. 28.02 (1), state parks under s. 27.01 and other lands
24 acquired under s. 23.09 (2) (d), 23.27, 23.29, 23.293, 23.31 or 29.571 (1)
25 located within such municipality and acquired after June 30, 1969. Such pay-
26 ments shall be made from the appropriation under s. 20.370 (4) (ea) or (eq)
27 and remitted by the department of natural resources in the amounts certified
28 by the department of revenue according to par. (b).

1 ••87-5138/2••SECTION 207. 70.119 (6) of the statutes is amended to read:
2 70.119 (6) The No later than November 15 annually, the department shall
3 report to the cochairpersons of the committee the results of its negotiations
4 ~~to the committee at its December meeting and report the total payments pro-~~
5 ~~posed to be made in the subsequent calendar year. Upon approval of the total~~
6 ~~payment by the committee, the department may make payments to individual~~
7 ~~municipalities~~ If the cochairpersons of the committee do not notify the
8 department that the committee has scheduled a meeting for the purpose of
9 reviewing the proposed total payments within 14 working days after the date of
10 the department's report, the department may make the payments. If, within 14
11 working days after the date of the department's report, the cochairpersons of
12 the committee notify the department that the committee has scheduled a meeting
13 for the purpose of reviewing the proposed total payments, the department shall
14 not make the payments without the approval of the committee.

15 ••87-5335/1••SECTION 208. 70.25 of the statutes is amended to read:

16 70.25 LANDS, DESCRIBED ON ROLLS. In all assessments and tax rolls, and
17 in all advertisements, certificates, papers, conveyances or proceedings for
18 the assessment and collection of taxes, and proceedings founded thereon, ~~as~~
19 ~~well heretofore as hereafter, except in tax bills,~~ any descriptions of land
20 which shall indicate the land intended with ordinary and reasonable certainty
21 and which would be sufficient between grantor and grantee in an ordinary
22 conveyance shall be sufficient; nor shall any description of land according to
23 the United States survey be deemed insufficient by reason of the omission of
24 the word quarter or the figures or signs representing it in connection with
25 the words or initial letters indicating any legal subdivision of lands
26 according to government survey. Where a more complete description may not be
27 practicable and the deed or a mortgage describing any piece of real property
28 is recorded in the office of the register of deeds for the county, an abbre-

1 viated description including the volume and page where recorded, and the
2 section, village or city where the property is situated, shall be sufficient.
3 Where a more complete description may not be practicable, and the piece of
4 property is described in any certificate, order or judgment of a court of
5 record in the county, an abbreviated description including the volume and page
6 of the court record where recorded, and the section, village or city where the
7 property is situated, shall be sufficient.

8 ••87b3265/1••SECTION 208g. 70.395 (2) (d) (intro.) of the statutes is
9 amended to read:

10 70.395 (2) (d) (intro.) Annually on the first Monday in January, except
11 as provided in subd. 5. b and c, the department of administration shall
12 distribute, upon certification by the board:

13 ••87b3265/1••SECTION 208r. 70.395 (2) (d) 5. c of the statutes is created
14 to read:

15 70.395 (2) (d) 5. c. To each Native American community, county, city,
16 town and village that contains at least 15% of a minable ore body in respect
17 to which construction has begun at a metalliferous mining site but in respect
18 to which extraction has not begun, \$100,000 as a one-time payment. Those
19 payments shall be made on or before the date 30 days after the beginning of
20 construction.

21 ••87b3265/1••SECTION 208t. 70.395 (2) (dg) of the statutes is amended to
22 read:

23 70.395 (2) (dg) Each person constructing a metalliferous mining site
24 shall ~~annually~~ pay to the department of revenue for deposit in the investment
25 and local impact fund, as a construction fee, an amount sufficient to make the
26 construction period payments under par. (d) 5. ~~a and b~~ in respect to that
27 site. Any person paying a construction fee under this paragraph may credit
28 against taxes due under s. 70.375 an amount equal to the payments that the

1 taxpayer has made under this paragraph, provided that the credit does not
2 reduce the taxpayer's liability under s. 70.375 below the amount needed to
3 make the first-dollar payments as defined under sub. (1) (a) 2 for that year
4 in respect to the taxpayer's mine. Any amount not creditable because of that
5 limitation in any year may be carried forward.

6 ••87b3711/1••SECTION 208v. 70.47 (7) (ab) of the statutes is amended to
7 read:

8 70.47 (7) (ab) For the purpose of this section, the ~~condominium-associ-~~
9 ~~tion managing entity~~, as defined in s. ~~703.02 (1m)~~ 707.02 (15), or its
10 designees, may be considered the taxpayer as an agent ~~of the vacation~~
11 ~~time-shared period titleholder~~ for the time-share owner, as defined in s.
12 707.02 (31), and may file one objection and make one appearance before the
13 board of review concerning all objections relating to a particular real prop-
14 erty improvement and the land associated with it. ~~An individual titleholder A~~
15 time-share owner may file one objection and make one appearance before the
16 board of review concerning the assessment of the building unit in which he or
17 she owns a time share.

18 ••87-5332/1••SECTION 210. 70.511 (2) (b) of the statutes is amended to
19 read:

20 70.511 (2) (b) If the reviewing authority reduces the value of the prop-
21 erty in question, or determines that manufacturing property is exempt, the
22 taxpayer may file a claim for refund of taxes resulting from the reduction in
23 value or determination that the property is exempt. The claim for refund
24 shall be filed with the clerk of the municipality on or before November 1.
25 The claim shall be payable to the taxpayer from the municipality no later than
26 January of the succeeding year. Interest on the claim at the rate of 0.8% per
27 month shall be paid to the taxpayer when the claim is paid or shall be cred-
28 ited against the taxpayer's next property tax bill. If the taxpayer requests

1 a postponement of proceedings before the reviewing authority, interest on the
2 claim shall permanently stop accruing at the date of the request. If the
3 hearing is postponed at the request of the taxpayer, the reviewing authority
4 shall hold a hearing on the claim within 30 days after the postponement is
5 requested unless the taxpayer agrees to a longer delay. If the reviewing
6 authority postpones the hearing without a request by the taxpayer, interest on
7 the claim shall continue to accrue. In the case of manufacturing assessments
8 made on or before December 31, 1982, by the department of revenue under s.
9 70.995, the state shall pay the interest on the refund from the appropriation
10 under s. 20.855 (4) (a), except that no interest may be paid if the reviewing
11 authority determines under s. 70.995 (8) (a) that the value of the property
12 was reduced because the taxpayer supplied false or incomplete information.
13 If the assessment reduction or determination of exemption involves a manufac-
14 turing property assessed under s. 70.995 or affects the municipality's equal-
15 ized values, the clerk of the municipality may charge each taxing district for
16 which taxes were collected from the taxpayer that district's proportionate
17 share of the claim for refund. For purposes of this paragraph, the department
18 of revenue shall have the sole discretion to determine the effect of the
19 assessment reduction or determination of exemption on the municipality's
20 equalized values. Each taxing district so charged shall pay the municipality
21 no later than January 31 of the year succeeding the taxing district's next
22 property tax levy.

23 ••87-5328/1••SECTION 211. 70.53 of the statutes is amended to read:
24 70.53 STATEMENT OF ASSESSMENT AND EXEMPTIONS. Upon the correction of the
25 assessment roll as provided in s. 70.52, the clerks shall prepare and, on or
26 before the 2nd Monday in June, transmit to the department of revenue a
27 detailed statement of the aggregate of each of the several items of taxable
28 property specified in s. 70.30, a detailed statement of each of the several

1 classes of taxable real estate, entering land and improvements separately, as
2 prescribed in s. 70.32 (2), the aggregate of all taxable property by elemen-
3 tary and high school district and by vocational, technical and adult education
4 district, and a detailed statement of the aggregate of each of the several
5 items of exempt real property as specified by the department of revenue,
6 entering land and improvements separately, and shall make available to the
7 department of revenue at its request a copy of the corrected assessment roll
8 from which the detailed statement is prepared. Failure to comply subjects the
9 taxation district to the penalty provisions under s. 73.03 (6). The depart-
10 ment of revenue shall review and correct the statement and ~~provide corrected~~
11 ~~copies to the county clerk with respect to the towns, cities and villages~~
12 ~~within each county.~~ Every county clerk shall, at the expense of the county,
13 annually procure and furnish to each town, city and village clerk blanks for
14 such statements, the form of which shall be prescribed by the department of
15 revenue.

16 ••87-5320/2 •• 87b2947/1••SECTION 212m. 70.57 (1) of the statutes is
17 amended to read:

18 70.57 (1) The department of revenue before August 15 of each year shall
19 complete the valuation of the property of each county and taxation district of
20 the state. From all the sources of information accessible to it the depart-
21 ment shall determine and assess by class the value of all property subject to
22 general property taxation in each county and taxation district. If the
23 department is satisfied that the assessment by a county assessor under s.
24 70.99 is at full value, it may adopt that value as the state's full value. It
25 shall set down a list of all the counties and taxation districts and opposite
26 to the name of each county and taxation district the valuation determined by
27 the department, which shall be the full value according to its best judgment.
28 There shall also be prepared a list of all the counties of the state, with

1 opposite the name of each county the valuation determined, which shall be
2 certified by the secretary of revenue as the assessment of the counties of the
3 state made by the department, and be delivered to the department of
4 administration. In any case where the department, through mistake or
5 inadvertence, has assessed to any county or taxation district, in the current
6 year or in the previous year, a greater or less valuation for any year than
7 should have been assessed, it shall correct the error by adding to or sub-
8 tracting from (as the case may be) the valuation of the county or taxation
9 district as determined by it at the assessment in the year after the error is
10 discovered, the amount omitted from or added to the true valuation of the
11 county in the former assessment in consequence of the error, and the result
12 shall be taken as the full value of the county for the latter year and a final
13 correction of the error.

14 ••87-5335/1••SECTION 213. 70.665 (1) (intro.) of the statutes is amended
15 to read:

16 70.665 (1) (intro.) The real and personal property tax bills prepared by
17 the clerks of each taxation district shall be mailed to taxpayers or to the
18 designee of each taxpayer with a copy furnished to the taxpayer by the
19 designee, be uniform, with respect to real property include the description of
20 the property except that if the description is longer than the space provided
21 for it on the bill, the bill may include as much of the description as fits in
22 the space and a reference to the volume and page where the description can be
23 found in the register of deeds office, be prescribed by the department and:

24 ••87-5326/2••SECTION 214. 70.995 (8) (a) of the statutes is amended to
25 read:

26 70.995 (8) (a) The secretary of revenue shall establish a state board of
27 assessors, which shall be comprised of the members of the department of
28 revenue whom the secretary designates. The state board of assessors shall

1 investigate any objection filed under par. (c) or (d) if the fee under that
2 paragraph is paid. The state board of assessors, after having made the
3 investigation, shall notify the person assessed or the person's agent and the
4 appropriate municipality of its determination by 1st class mail. Beginning
5 with objections filed in 1989, the state board of assessors shall make its
6 determination on or before March 1 of the year after the filing. If the
7 determination results in a refund of property taxes paid, the state board of
8 assessors shall include in the determination a finding of whether the refund
9 is due to false or incomplete information supplied by the person assessed.
10 The person assessed or the municipality having been notified of the determi-
11 nation of the state board of assessors shall be deemed to have accepted the
12 determination unless the person or municipality files a petition for review
13 with the clerk of the tax appeals commission as provided in s. 73.01 (5) and
14 the rules of practice promulgated by the commission. If an assessment is
15 reduced by the state board of assessors, the municipality affected may seek
16 file an appeal seeking review of the reduction, or may, within 30 days after
17 the person assessed files a petition for review, file a cross-appeal, before
18 the tax appeals commission even though the municipality did not file an
19 objection to the assessment with the board. If an assessment is increased by
20 the board, the person assessed may seek file an appeal seeking review of the
21 increase, or may, within 30 days after the municipality files a petition for
22 review, file a cross-appeal, before the commission even though the person did
23 not file an objection to the assessment with the board.

24 ••87-5326/2••SECTION 215. 70.995 (8) (a) of the statutes, as affected by
25 1987 Wisconsin Act (this act), is amended to read:

26 70.995 (8) (a) The secretary of revenue shall establish a state board of
27 assessors, which shall be comprised of the members of the department of
28 revenue whom the secretary designates. The state board of assessors shall

1 investigate any objection filed under par. (c) or (d) if the fee under that
2 paragraph is paid. The state board of assessors, after having made the
3 investigation, shall notify the person assessed or the person's agent and the
4 appropriate municipality of its determination by 1st class mail. Beginning
5 with objections filed in 1989, the state board of assessors shall make its
6 determination on or before ~~March~~ April 1 of the year after the filing. If the
7 determination results in a refund of property taxes paid, the state board of
8 assessors shall include in the determination a finding of whether the refund
9 is due to false or incomplete information supplied by the person assessed.
10 The person assessed or the municipality having been notified of the determi-
11 nation of the state board of assessors shall be deemed to have accepted the
12 determination unless the person or municipality files a petition for review
13 with the clerk of the tax appeals commission as provided in s. 73.01 (5) and
14 the rules of practice promulgated by the commission. If an assessment is
15 reduced by the state board of assessors, the municipality affected may file an
16 appeal seeking review of the reduction, or may, within 30 days after the
17 person assessed files a petition for review, file a cross-appeal, before the
18 tax appeals commission even though the municipality did not file an objection
19 to the assessment with the board. If an assessment is increased by the board,
20 the person assessed may file an appeal seeking review of the increase, or may,
21 within 30 days after the municipality files a petition for review, file a
22 cross-appeal, before the commission even though the person did not file an
23 objection to the assessment with the board.

24 ••87-5334/1••SECTION 216. 70.995 (12) (a) of the statutes is amended to
25 read:

26 70.995 (12) (a) The department of revenue shall prescribe a standard
27 manufacturing property report form that shall be submitted annually for each
28 real estate parcel and each personal property account on or before March 1 by

1 all manufacturers whose property is assessed under this section. The report
2 form shall contain all information deemed necessary by the department and
3 shall include, without limitation, income and operating statements, fixed
4 asset schedules and a report of new construction or demolition. Failure to
5 submit the report shall result in denial of any right of redetermination by
6 the state board of assessors or the tax appeals commission. If any property
7 is omitted or understated in the assessment roll in any of the next 5 previous
8 years, the assessor shall enter the value of the omitted or understated prop-
9 erty once for each previous year of the omission or understatement. The
10 assessor shall designate each additional entry as omitted or understated for
11 the year 19.. (giving year of omission or understatement). The assessor shall
12 affix a just valuation to each entry for a former year as it should have been
13 assessed according to the assessor's best judgment. Taxes shall be appor-
14 tioned and collected on the tax roll for each entry, on the basis of the net
15 tax rate for the year of the omission, taking into account credits under s.
16 79.10, and interest shall be added at the rate of ~~0.8% per month~~ 0.0267% per
17 day for the period of time between the date when the form is required to be
18 submitted and the date when the assessor affixes the just valuation. ~~In~~
19 ~~computing this interest, a fraction of a month shall be considered to be a~~
20 ~~full month.~~

21 ••87-5514/2 •• 87b2708/2••SECTION 217d. 71.01 (3) (a) of the statutes is
22 amended to read:

23 71.01 (3) (a) Income of mutual insurers exempt from federal income taxa-
24 tion pursuant to section 501 (c) (15) of the internal revenue code, town
25 mutuals organized under or subject to ch. 612, foreign insurers, and domestic
26 insurers engaged exclusively in life insurance business, domestic insurers
27 insuring against financial loss by reason of nonpayment of principal, interest
28 and other sums agreed to be paid under the terms of any note or bond or other

1 evidence of indebtedness secured by a mortgage, deed of trust or other
2 instrument constituting a lien or charge on real estate, railroad corporations
3 and sleeping car companies, of car line companies from operation of car line
4 equipment as defined in s. 76.39, and corporations organized under ch. 185 or
5 operating under subch. I of ch. 616 which are bona fide cooperatives operated
6 without pecuniary profit to any shareholder or member, or operated on a
7 cooperative plan pursuant to which they determine and distribute their pro-
8 ceeds in substantial compliance with s. 185.45, and the income, except the
9 unrelated business taxable income as defined in section 512 of the internal
10 revenue code, of all religious, scientific, educational, benevolent or other
11 corporations or associations of individuals not organized or conducted for
12 pecuniary profit. This paragraph does not apply to the income of mutual sav-
13 ings banks, mutual loan corporations or savings and loan associations. This
14 paragraph applies to the income of credit unions except to the income of any
15 credit union that is derived from public deposits for any taxable year in
16 which the credit union is approved as a public depository under ch. 34 and
17 acts as a depository of state or local funds under s. 186.113 (20). For pur-
18 poses of this subdivision, the income of a credit union that is derived from
19 public deposits is the product of the credit union's gross annual income for
20 the taxable year multiplied by a fraction, the numerator of which is the
21 average monthly balance of public deposits in the credit union during the
22 taxable year, and the denominator of which is the average monthly balance of
23 all deposits in the credit union during the taxable year. Beginning with
24 calendar year 1972 and thereafter, this paragraph does not apply to the income
25 of insurers under ch. 613 operating by virtue of s. 148.03, 447.13, 449.15 or
26 613.80. Tax on the income of such insurers shall first be payable on or
27 before March 15, 1973, and thereafter under s. 71.10 (1).

1 ••87b2707/1••SECTION 217g. 71.01 (4) (g) 11 of the statutes, as created
2 by 1987 Wisconsin Act 27, is amended to read:

3 71.01 (4) (g) 11. For taxable year 1987 ~~and subsequent years~~, "internal
4 revenue code" means the federal internal revenue code as amended to December
5 31, 1986, as it applies to taxable year 1987 ~~and subsequent years~~. Amendments
6 to the internal revenue code enacted after December 31, 1986, do not apply to
7 this subdivision with respect to taxable year 1987 ~~and thereafter~~, except that
8 changes to the internal revenue code made by P.L. 100-203 apply for Wisconsin
9 purposes at the same time as for federal purposes.

10 ••87b2707/1••SECTION 217r. 71.01 (4) (g) 12 of the statutes is created to
11 read:

12 71.01 (4) (g) 12. For taxable years that begin after December 31, 1987,
13 "internal revenue code" means the federal internal revenue code as amended to
14 December 31, 1987. Amendments to the federal internal revenue code enacted
15 after December 31, 1987, do not apply to this subdivision with respect to
16 taxable years beginning after December 31, 1987.

17 ••87-5346/1••SECTION 218. 71.016 of the statutes, as affected by 1987
18 Wisconsin Acts 27 and 92, is amended to read:

19 71.016 ADDITIONAL TAX ON TAX-OPTION CORPORATIONS. In addition to the
20 other taxes imposed under this chapter, there is imposed on every tax-option
21 corporation, except those under section 1374 (c) (1) of the internal revenue
22 code, that has a recognized built-in ~~capital~~ gain, as defined in section 1374
23 (d) (2) of the internal revenue code, during a recognition period, as defined
24 in section 1374 (d) (3) of the internal revenue code, a tax computed under
25 section 1374 of the internal revenue code except that the rate is that under
26 s. 71.09 (2n), the recognized built-in gain is computed using the Wisconsin
27 basis of the assets and the Wisconsin apportionment percentage for the current
28 taxable year, the taxable income is the Wisconsin taxable income and the

1 credit and net operating losses are those under this chapter rather than the
2 federal credits and net operating losses. The tax under this section does not
3 apply if the return is filed pursuant to a federal S corporation election made
4 before January 1, 1987, and the corporation has not elected to change its
5 status under s. 71.042 (4) (a) for any intervening year.

6 ••87-5337/2••SECTION 219. 71.02 (1) (intro.) of the statutes, as affected
7 by 1987 Wisconsin Act 27, is amended to read:

8 71.02 (1) DEFINITIONS APPLICABLE TO CORPORATIONS. (intro.) In this
9 chapter and in regard to corporations, including tax-option corporations
10 except as otherwise provided in this chapter, and to nuclear decommissioning
11 trust or reserve funds:

12 ••87b2707/1••SECTION 219g. 71.02 (1) (a) of the statutes is renumbered
13 71.02 (1) (at).

14 ••87b2707/1••SECTION 219r. 71.02 (1) (af) of the statutes is created to
15 read:

16 71.02 (1) (af) "Corporation" includes publicly traded partnerships
17 treated as corporations in section 7704 of the internal revenue code.

18 ••87b2707/1••SECTION 220m. 71.02 (1) (bf) 2 and 3 of the statutes are
19 created to read:

20 71.02 (1) (bf) 2. Except as provided in pars. (bh), (bhm), (bj) and (c)
21 and s. 71.01 (4) (g), "internal revenue code", for taxable years that end
22 after July 1, 1988, and before December 31, 1988, means the federal internal
23 revenue code as amended to December 31, 1986, except that changes to the
24 internal revenue code made by P.L. 100-203 apply for Wisconsin purposes at the
25 same time as for federal purposes.

26 3. Except as provided in pars. (bh), (bhm), (bj) and (c) and s. 71.01 (4)
27 (g), "internal revenue code", for taxable years that begin after December 31,
28 1987, means the federal internal revenue code as amended to December 31, 1987.

1 Amendments to the federal internal revenue code enacted after December 31,
2 1987, do not apply to this subdivision with respect to taxable years beginning
3 after December 31, 1987.

4 ••87b2707/1••SECTION 220r. 71.02 (1) (bg) (intro.) of the statutes, as
5 created by 1987 Wisconsin Act 27, is renumbered 71.02 (1) (bf) 1 and amended
6 to read:

7 71.02 (1) (bf) 1. Except as provided in ~~par.~~ pars. (bg), (bh) and (c) and
8 s. 71.01 (4) (g), "internal revenue code", for taxable year 1987 and ~~subse-~~
9 ~~quent~~ years, means the federal internal revenue code as amended to December
10 31, 1986, as it applies to taxable year 1987 and ~~subsequent~~ years, ~~except that~~
11 ~~that code does not include amendments, except that for taxable years 1987 that~~
12 ~~end after July 1 and before December 31 "internal revenue code" does not~~
13 ~~include changes to the federal internal revenue code made by sections 142,~~
14 ~~801, 802 and 803 of P.L. 99-514. Amendments to the federal internal revenue~~
15 ~~code enacted after December 31, 1986, and except that that code is modified~~
16 ~~in the following ways: do not apply to this paragraph with respect to taxable~~
17 ~~year 1987, except that changes to the internal revenue code made by P.L.~~
18 ~~100-203 apply for Wisconsin purposes at the same time as for federal purposes.~~

19 ••87b2707/1••SECTION 220t. 71.02 (1) (bg) (intro.) of the statutes is
20 created to read:

21 71.02 (1) (bg) (intro.) "Internal revenue code" means the federal
22 internal revenue code modified as follows:

23 ••87-5514/2 •• 87b2708/2••SECTION 221g. 71.02 (1) (bg) 17 of the
24 statutes, as affected by 1987 Wisconsin Acts 27 and 92, is repealed and re-
25 created to read:

26 71.02 (1) (bg) 17. Sections 501 to 511 and 513 to 528 (relating to exempt
27 organizations) are excluded, except as they pertain to the definitions of

1 unrelated business taxable income in section 512, and replaced by the treat-
2 ment of exemptions under s. 71.01 (3).

3 ••87-5514/2 •• 87b2708/2••SECTION 221r. 71.02 (1) (bg) 18 of the
4 statutes, as created by 1987 Wisconsin Act 27, is repealed.

5 ••87-5337/2••SECTION 222. 71.02 (1) (bg) 25 of the statutes, as created
6 by 1987 Wisconsin Act 27, is repealed.

7 ••87-5337/2••SECTION 223. 71.02 (1) (bh) of the statutes is created to
8 read:

9 71.02 (1) (bh) 1. "Internal revenue code" for tax-option corporations,
10 for taxable year 1987, means the federal internal revenue code as amended to
11 December 31, 1986, as it applies to taxable year 1987, except that for taxable
12 years 1987 that end after July 1 and before December 31 "internal revenue
13 code" does not include changes to the federal internal revenue code made by
14 sections 142, 801, 802 and 803 of P.L. 99-514, except that section 1366 (f)
15 (relating to pass-through of items to shareholders) is modified by substitut-
16 ing the tax under s. 71.016 for the taxes under sections 1374 and 1375.
17 Amendments to the federal internal revenue code enacted after December 31,
18 1986, do not apply to this subdivision, except that changes to the internal
19 revenue code made by P.L. 100-203 apply for Wisconsin purposes at the same
20 time as for federal purposes.

21 2. "Internal revenue code" for tax-option corporations, for taxable years
22 that end after July 1, 1988, and before December 31, 1988, means the federal
23 internal revenue code as amended to December 31, 1986, except that section
24 1366 (f) (relating to pass-through of items to shareholders) is modified by
25 substituting the tax under s. 71.016 for the taxes under sections 1374 and
26 1375, and except that changes to the internal revenue code made by P.L.
27 100-203 apply for Wisconsin purposes at the same time as for federal purposes.

1 3. "Internal revenue code" for tax-option corporations, for taxable years
2 that begin after December 31, 1987, means the federal internal revenue code as
3 amended to December 31, 1987, except that section 1366 (f) (relating to
4 pass-through of items to shareholders) is modified by substituting the tax
5 under s. 71.016 for the taxes under sections 1374 and 1375. Amendments to the
6 federal internal revenue code enacted after December 31, 1987, do not apply to
7 this subdivision with respect to taxable years beginning after December 31,
8 1987.

9 ••87b2708/2••SECTION 223m. 71.02 (1) (bhm) of the statutes is created to
10 read:

11 71.02 (1) (bhm) "Internal revenue code", for corporations that are
12 subject to a tax on unrelated business income under s. 71.01 (3) (a), means
13 the federal internal revenue code as amended to December 31, 1987, except that
14 that code does not include amendments to the federal internal revenue code
15 enacted after December 31, 1987.

16 ••87b2707/1••SECTION 224g. 71.02 (1) (c) 12 of the statutes, as created
17 by 1987 Wisconsin Act 27, is amended to read:

18 71.02 (1) (c) 12. For taxable year 1987 ~~and subsequent years~~, for a
19 corporation, conduit or common law trust which qualifies as a regulated
20 investment company, real estate mortgage investment conduit or real estate
21 investment trust under the internal revenue code as amended to December 31,
22 1986, as it applies to taxable year 1987 ~~and subsequent years~~, "net income"
23 means the federal regulated investment company taxable income, federal real
24 estate mortgage investment conduit taxable income or federal real estate
25 investment trust taxable income of the corporation, conduit or trust as
26 determined under the internal revenue code as amended to December 31, 1986, as
27 it applies to taxable year 1987 ~~and subsequent years~~, except that for taxable
28 years that end after July 1, 1987, and before December 31, 1987, "internal

1 revenue code" does not include changes to the federal internal revenue code
2 made by sections 142, 801, 802 and 803 of P.L. 99-514, except that property
3 that, under ~~subds.~~ s. 71.02 (1) (c) 8 to 11, 1985 stats., is required to be
4 depreciated for taxable years 1983 to 1986 under the internal revenue code as
5 amended to December 31, 1980, shall continue to be depreciated under the
6 internal revenue code as amended to December 31, 1980. Amendments to the
7 internal revenue code enacted after December 31, 1986, do not apply to this
8 subdivision with respect to taxable year 1987 ~~and thereafter~~, except that
9 changes to the internal revenue code made by P.L. 100-203 apply for Wisconsin
10 purposes at the same time as for federal purposes.

11 ••87b2707/1••SECTION 224m. 71.02 (1) (c) 13 of the statutes is created to
12 read:

13 71.02 (1) (c) 13. For taxable years that end after July 1, 1988, and
14 before December 31, 1988, for a corporation, conduit or common law trust which
15 qualifies as a regulated investment company, real estate mortgage investment
16 conduit or real estate investment trust under the internal revenue code as
17 amended to December 31, 1986, "net income" means the federal regulated
18 investment company taxable income, federal real estate mortgage investment
19 conduit taxable income or federal real estate investment trust taxable income
20 of the corporation, conduit or trust as determined under the internal revenue
21 code as amended to December 31, 1986, except that property that, under s.
22 71.02 (1) (c) 8 to 11, 1985 stats., is required to be depreciated for taxable
23 years 1983 to 1986 under the internal revenue code as amended to December 31,
24 1980, shall continue to be depreciated under the internal revenue code as
25 amended to December 31, 1980, and except that the appropriate amount shall be
26 added or subtracted to reflect differences between the depreciation or
27 adjusted basis for federal income tax purposes and the depreciation or
28 adjusted basis under this chapter of any property disposed of during the tax-

1 able year, and except that changes to the internal revenue code made by P.L.
2 100-203 apply for Wisconsin purposes at the same time as for federal purposes.
3 Amendments to the internal revenue code enacted after December 31, 1986,
4 except those made by P.L. 100-203, do not apply to this subdivision with
5 respect to taxable years that begin on August 1, 1987, to December 1, 1987.

6 ••87b2707/1••SECTION 224r. 71.02 (1) (c) 14 of the statutes is created to
7 read:

8 71.02 (1) (c) 14. For taxable years that begin after December 31, 1987,
9 for a corporation, conduit or common law trust which qualifies as a regulated
10 investment company, real estate mortgage investment conduit or real estate
11 investment trust under the internal revenue code as amended to December 31,
12 1987, "net income" means the federal regulated investment company taxable
13 income, federal real estate mortgage investment conduit taxable income or
14 federal real estate investment trust taxable income of the corporation, con-
15 duit or trust as determined under the internal revenue code as amended to
16 December 31, 1987, except that property that, under s. 71.02 (1) (c) 8 to 11,
17 1985 stats., is required to be depreciated for taxable years 1983 to 1986
18 under the internal revenue code as amended to December 31, 1980, shall con-
19 tinue to be depreciated under the internal revenue code as amended to December
20 31, 1980, and except that the appropriate amount shall be added or subtracted
21 to reflect differences between the depreciation or adjusted basis for federal
22 income tax purposes and the depreciation or adjusted basis under this chapter
23 of any property disposed of during the taxable year. Amendments to the
24 internal revenue code enacted after December 31, 1987, do not apply to this
25 subdivision with respect to taxable years that begin after December 31, 1987.

26 ••87-5337/2••SECTION 225. 71.02 (1) (d) of the statutes, as affected by
27 1987 Wisconsin Act 27, is repealed and recreated to read:

1 71.02 (1) (d) "Net income or loss" of a tax-option corporation means net
2 income or loss computed under the internal revenue code, as defined under par.
3 (bh), except that:

4 1. Section 1363 (a) of the internal revenue code does not apply.

5 2. The items referred to in section 1366 (a) (1) (A) of the internal
6 revenue code shall be included.

7 3. The deduction referred to in sections 212 and 703 (a) (2) (E) of the
8 internal revenue code shall be allowed.

9 4. An addition or subtraction, as appropriate, shall be made for the net
10 amount of state and federal differences including differences arising from the
11 different basis of assets disposed of in a transaction in which gain or loss
12 is recognized for state tax purposes, different depreciation methods or
13 difference in basis of depreciable assets, different elections, or transi-
14 tional adjustments due to differences in the statutes for taxable years 1986
15 and 1987 pertaining to the computation of net income of a tax-option
16 corporation.

17 5. An addition shall be made for the amount of credit computed under s.
18 71.043 and used by the corporation in the current year.

19 6. An addition shall be made for the amount of interest, less related
20 expenses, excluded by reason of section 103 of the internal revenue code
21 (relating to interest received on state and municipal obligations and on
22 volunteer fire department and mass transit obligations) or any other federal
23 law.

24 ••87b2708/2••SECTION 225m. 71.02 (1) (f) of the statutes is amended to
25 read:

26 71.02 (1) (f) "Person" includes corporations, unless the context requires
27 otherwise, and "corporation" includes corporations, joint stock companies,

1 associations ~~or~~ and common law trusts ~~organized or conducted for profit,~~
2 unless the context requires otherwise.

3 ••87-5372/2••SECTION 226. 71.02 (2) (d) 13 of the statutes, as created by
4 1987 Wisconsin Act 27, is amended to read:

5 71.02 (2) (d) 13. For taxable year 1987 ~~and subsequent years,~~ for natural
6 persons and fiduciaries, except fiduciaries of nuclear decommissioning trust
7 or reserve funds, "internal revenue code" means the federal internal revenue
8 code as amended to December 31, 1986, as it applies to taxable year 1987 ~~and~~
9 ~~subsequent years,~~ except that for taxable years that end after July 1, 1987,
10 and before December 31, 1987, "internal revenue code" does not include changes
11 to the federal internal revenue code made by sections 142, 802 and 803 and
12 subtitle A of title XI of P.L. 99-514. Amendments to the internal revenue
13 code enacted after December 31, 1986, do not apply to this subsection with
14 respect to taxable year 1987 and thereafter, except that changes to the
15 internal revenue code made by P.L. 100-203 apply for Wisconsin purposes at the
16 same time as for federal purposes.

17 ••87b2707/1••SECTION 226g. 71.02 (2) (d) 14 of the statutes is created to
18 read:

19 71.02 (2) (d) 14. For taxable years that end after July 1, 1988, and
20 before December 31, 1988, for natural persons and fiduciaries, except fidu-
21 ciaries of nuclear decommissioning trust or reserve funds, "internal revenue
22 code" means the federal internal revenue code as amended to December 31, 1986,
23 except that changes to the internal revenue code made by P.L. 100-203 apply
24 for Wisconsin purposes at the same time as for federal purposes. Amendments
25 to the internal revenue code enacted after December 31, 1986, except those
26 made by P.L. 100-203, do not apply to this subdivision for taxable years that
27 end after July 1, 1988, and before December 31, 1988.

1 ••87b2707/1••SECTION 226r. 71.02 (2) (d) 15 of the statutes is created to
2 read:

3 71.02 (2) (d) 15. For taxable years that begin after December 31, 1987,
4 for natural persons and fiduciaries, except fiduciaries of nuclear
5 decommissioning trust or reserve funds, "internal revenue code" means the
6 federal internal revenue code as amended to December 31, 1987. Amendments to
7 the federal internal revenue code enacted after December 31, 1987, do not
8 apply to this subdivision with respect to taxable years beginning after
9 December 31, 1987.

10 ••87b2707/1••SECTION 226t. 71.02 (2) (ej) of the statutes is created to
11 read:

12 71.02 (2) (ej) "Partner" does not include a partner of a publicly traded
13 partnership treated as a corporation under sub. (1) (af).

14 ••87-5341/1••SECTION 227. 71.02 (2) (fr) 2 of the statutes is amended to
15 read:

16 71.02 (2) (fr) 2. Has no more than ~~200~~ 500 employes covered by Wisconsin
17 unemployment insurance, including employes of any corporation that owns more
18 than 50% of the stock of the issuing corporation.

19 ••87b2519/2••SECTION 227e. 71.02 (4) of the statutes is created to read:

20 71.02 (4) ADDITIONAL DEFINITION. Notwithstanding subs. (1) (c) and (2)
21 (d), for natural persons, fiduciaries, trusts and estates, at the taxpayer's
22 option, "internal revenue code" for taxable years beginning after December 31,
23 1987, includes any revisions to section 67 (c) of the internal revenue code
24 adopted after January 1, 1988, that relate to the indirect expenses of regu-
25 lated investment companies.

26 ••87b2708/2••SECTION 227m. 71.04 of the statutes is created to read:

27 71.04 PREVIOUSLY EXEMPT CORPORATIONS; BASIS AND DEPRECIATION. The
28 Wisconsin adjusted basis of the property of any corporation that has, in any

1 taxable year before it ceases to be exempt from tax under this chapter, taken
2 depreciation or amortization of depreciable property for federal income tax
3 purposes shall be the adjusted basis of that property as computed for federal
4 income tax purposes as of the beginning of the taxable year in which the cor-
5 poration ceases to be exempt. The corporation may continue, after it ceases
6 to be exempt, to depreciate that property under the method used previously for
7 federal income tax purposes.

8 ••87-5337/2••SECTION 228. 71.042 (7) of the statutes is created to read:

9 71.042 (7) A corporation that elects under sub. (4) (a) not to be a tax-
10 option corporation and a corporation that elects to become a tax-option cor-
11 poration shall adjust its income, under rules promulgated by the department of
12 revenue, for the taxable year for which that election is first effective to
13 avoid the omission or double inclusion of any item of income, loss or
14 deduction.

15 ••87-5345/1••SECTION 229. 71.05 (1) (a) 31 of the statutes, as created by
16 1987 Wisconsin Act 92, is amended to read:

17 71.05 (1) (a) 31. Any amount received as a proportionate share of the
18 earnings and profits of a corporation that is an S corporation for federal
19 income tax purposes if those earnings and profits accumulated during a year
20 for which the shareholders have elected under s. 71.042 (4) not to be a tax-
21 option corporation, to the extent not included in federal adjusted gross
22 income for the current year.

23 ••87-5347/1••SECTION 231. 71.05 (1) (b) 1 of the statutes, as affected by
24 1987 Wisconsin Act 27, is amended to read:

25 71.05 (1) (b) 1. The amount of any interest or dividend income which is
26 by federal law exempt from taxation by this state less the related expense in
27 regard to both the distributable and nondistributable interest and dividend
28 income on a fiduciary return.

1 ••87-5375/1••SECTION 232. 71.05 (1) (b) 14 of the statutes is created to
2 read:

3 71.05 (1) (b) 14. Farm losses added to income under par. (a) 26 in any of
4 the 15 preceding years, to the extent that they are not offset against farm
5 income of any year between the loss year and the taxable year for which the
6 modification under this subdivision is claimed and to the extent that they do
7 not exceed the net profits or net gains from the sale or exchange of capital
8 or business assets in the current taxable year from the same farming business
9 or portion of that business to which the limits on deductible farm losses
10 under par. (a) 26 applied in the loss year.

11 ••87-5348/2••SECTION 233. 71.05 (1) (b) 16 of the statutes, as created by
12 1987 Wisconsin Act 27, is amended to read:

13 71.05 (1) (b) 16. On assets held more than one year and on all assets
14 acquired from a decedent, 60% of the capital gain as computed under the
15 internal revenue code, not including capital gains for which the federal tax
16 treatment is determined under section 406 of P.L. 99-514 and not including
17 amounts treated as ordinary income for federal income tax purposes because of
18 the recapture of depreciation or any other reason. For purposes of this
19 subdivision, the capital gains and capital losses for all assets shall be
20 netted before application of the percentage.

21 ••87-5337/2••SECTION 235. 71.05 (2tm) of the statutes is created to read:

22 71.05 (2tm) TAX-OPTION CORPORATIONS; DEPRECIATION. A tax-option cor-
23 poration may compute amortization and depreciation under either the federal
24 internal revenue code as amended to December 31, 1986, as it applies to tax-
25 able year 1987, or the federal internal revenue code in effect for the taxable
26 year for which the return is filed, except that property first placed in ser-
27 vice by the taxpayer on or after January 1, 1983, but before January 1, 1987,
28 that, under s. 71.04 (15) (b) and (br), 1985 stats., is required to be

1 depreciated under the internal revenue code as amended to December 31, 1980,
2 and property first placed in service in taxable year 1981 or thereafter but
3 before January 1, 1987, that, under s. 71.04 (15) (bm), 1985 stats., is
4 required to be depreciated under the internal revenue code as amended to
5 December 31, 1980, shall continue to be depreciated under the internal revenue
6 code as amended to December 31, 1980. Any difference between the adjusted
7 basis for federal income tax purposes and the adjusted basis under this
8 chapter shall be taken into account in determining net income or loss in the
9 year or years for which the gain or loss is reportable under this chapter. If
10 that property was placed in service by the taxpayer during taxable year 1986
11 and thereafter but before the property is used in the production of income
12 subject to taxation under this chapter, the property's adjusted basis and the
13 depreciation or other deduction schedule are not required to be changed from
14 the amount allowable on the owner's federal income tax returns for any year
15 because the property is used in the production of income subject to taxation
16 under this chapter. If that property was acquired in a transaction in taxable
17 year 1986 or thereafter in which the adjusted basis of the property in the
18 hands of the transferee is the same as the adjusted basis of the property in
19 the hands of the transferor, the Wisconsin adjusted basis of that property on
20 the date of transfer is the adjusted basis allowable under the internal
21 revenue code as defined for Wisconsin purposes for the property in the hands
22 of the transferor.

23 ••87b2576/1••SECTION 235m. 71.07 (1) of the statutes, as affected by 1987
24 Wisconsin Acts 27 and 119, is amended to read:

25 71.07 (1) All income or loss of resident individuals and resident estates
26 and trusts shall follow the residence of the individual, estate or trust.
27 Income or loss of nonresident individuals and nonresident estates and trusts
28 from business, not requiring apportionment under sub. (2), (3) or (5), shall

1 follow the situs of the business from which derived. All items of income,
2 loss and deductions of nonresident individuals and nonresident estates and
3 trusts derived from a tax-option corporation not requiring apportionment under
4 sub. (2m) shall follow the situs of the business of the corporation from which
5 derived. Income or loss of nonresident individuals and nonresident estates
6 and trusts derived from rentals and royalties from real estate or tangible
7 personal property, or from the operation of any farm, mine or quarry, or from
8 the sale of real property or tangible personal property shall follow the situs
9 of the property from which derived. Income from personal services of non-
10 resident individuals, including income from professions, shall follow the
11 situs of the services. Income of nonresident individuals, estates and trusts
12 from the state lottery under ch. 565 is taxable by this state. All other
13 income or loss of nonresident individuals and nonresident estates and trusts,
14 including income or loss derived from land contracts, mortgages, stocks, bonds
15 and securities or from the sale of similar intangible personal property, shall
16 follow the residence of such persons, except as provided in subs. (2m) and
17 (7).

18 ••87-5352/1••SECTION 236. 71.07 (1g) (b) 1 of the statutes, as created by
19 1987 Wisconsin Act 27, is renumbered 71.07 (1g) (b) and amended to read:

20 71.07 (1g) (b) Part-year residents, nonresidents. ~~General~~ All partners
21 who are residents of this state for less than a full taxable year or who are
22 nonresidents shall compute taxes for that year on their share of partnership
23 income or loss under this chapter for the part of the taxable year during
24 which they are nonresidents by recognizing their proportionate share of all
25 items of income, loss or deduction attributable to a business in, services
26 performed in, or rental of property in, this state.

27 ••87-5352/1••SECTION 237. 71.07 (1g) (b) 2 of the statutes, as created by
28 1987 Wisconsin Act 27, is repealed.

1 ••87-5352/1••SECTION 238. 71.07 (1m) (b) 14 of the statutes is amended to
2 read:

3 71.07 (1m) (b) 14. A ~~general~~ partner's share of income or loss from a
4 partnership.

5 ••87-5352/1••SECTION 239. 71.07 (1m) (b) 15 of the statutes is repealed.

6 ••87-5514/2 •• 87b2708/2••SECTION 239m. 71.07 (2) (intro.) of the
7 statutes, as affected by 1987 Wisconsin Act 27, is amended to read:

8 71.07 (2) (intro.) Corporations, nonresident individuals and nonresident
9 estates and trusts engaged in business within and without the state shall be
10 taxed only on such income as is derived from business transacted and property
11 located within the state. The amount of such income attributable to Wisconsin
12 may be determined by an allocation and separate accounting thereof, when the
13 business of such corporation, nonresident individual or nonresident estate or
14 trust within the state is not an integral part of a unitary business, but the
15 department of revenue may permit an allocation and separate accounting in any
16 case in which it is satisfied that the use of such method will properly
17 reflect the income taxable by this state. In all cases in which allocation
18 and separate accounting is not permissible, the determination shall be made in
19 the following manner: for all businesses except financial organizations ~~and~~,
20 public utilities and corporations or associations that are subject to a tax on
21 unrelated business income under s. 71.01 (3) (a) and trusts that are subject
22 to a tax on unrelated business income there shall first be deducted from the
23 total net income of the taxpayer the part thereof (less related expenses, if
24 any) that follows the situs of the property or the residence of the recipient.
25 The remaining net income shall be apportioned to Wisconsin by use of an
26 apportionment fraction composed of a sales factor representing 50% of the
27 fraction, a property factor representing 25% of the fraction and a payroll
28 factor representing 25% of the fraction.

1 ••87-5352/1••SECTION 240. 71.07 (2) (cm) 8 of the statutes is amended to
2 read:

3 71.07 (2) (cm) 8. A ~~general~~ partner's share of the partnership's gross
4 receipts.

5 ••87-5343/1••SECTION 241. 71.07 (2) (cr) 7 of the statutes is amended to
6 read:

7 71.07 (2) (cr) 7. ~~Gain~~ Gross receipts and gain or loss from the sale of
8 intangible assets, except those under par. (cm) 1.

9 ••87-5352/1••SECTION 242. 71.07 (2) (cr) 15 of the statutes is repealed.

10 ••87-5514/2 •• 87b2708/2••SECTION 242m. 71.07 (2) (f) of the statutes is
11 created to read:

12 71.07 (2) (f) The unrelated business taxable income of organizations that
13 are subject to tax on that income under s. 71.01 (3) (a) and of trusts shall
14 be apportioned under the department of revenue's rules.

15 ••87b2411/1••SECTION 243g. 71.09 (6p) (b) of the statutes, as affected by
16 1987 Wisconsin Act 27, is amended to read:

17 71.09 (6p) (b) An exemption of \$50 for each person for whom the taxpayer
18 is entitled to an exemption for the taxable year under section 151 (c) of the
19 federal internal revenue code except that if the person receives maintenance
20 under s. 49.90 (1) (a) 2 the \$50 exemption shall be claimed by the taxpayers
21 who provide maintenance to that person in proportion to the support they
22 provide.

23 ••87b2411/1••SECTION 243r. 71.09 (6p) (b) of the statutes, as affected by
24 1987 Wisconsin Acts 27 and (this act), is repealed and recreated to read:

25 71.09 (6p) (b) An exemption of \$50 for each person for whom the taxpayer
26 is entitled to an exemption for the taxable year under section 151 (c) of the
27 federal internal revenue code.

1 ••87-5355/1••SECTION 245. 71.09 (7) (a) 2 of the statutes, as affected by
2 1987 Wisconsin Act 27, is amended to read:

3 71.09 (7) (a) 2. "Gross rent" means rental paid at arm's length, solely
4 for the right of occupancy of a homestead, ~~exclusive of.~~ "Gross rent" does
5 not include, whether expressly set out in the rental agreement or not, charges
6 for any medical services; other personal services such as laundry,
7 transportation, counseling, grooming, recreational and therapeutic services;
8 shared living expenses, including but not limited to food, supplies and
9 utilities unless utility payments are included in the gross rent paid to the
10 landlord; and food furnished by the landlord as a part of the rental
11 agreement, whether expressly set out in the rental agreement or not. "Gross
12 rent" includes the rental paid to a landlord for parking of a mobile home,
13 exclusive of any charges for food furnished by the landlord as a part of the
14 rental agreement, plus parking fees paid under s. 66.058 (3) (c) for a rented
15 mobile home. If a homestead is an integral part of a multipurpose or multi-
16 dwelling building, "gross rent" is the percentage of the gross rent on that
17 part of the multipurpose or multidwelling building occupied by the household
18 as a principal residence plus the same percentage of the gross rent on the
19 land surrounding it, not exceeding one acre, that is reasonably necessary for
20 use of the multipurpose or multidwelling building as a principal residence,
21 except as the limitations under par. (h) apply. If the homestead is part of a
22 farm, "gross rent" is the rent on up to 120 acres of the land contiguous to
23 the claimant's principal residence plus the rent on all improvements to real
24 property on that land, except as the limitations under par. (h) apply. If a
25 claimant and persons who are not members of the claimant's household reside in
26 a homestead, the claimant's "gross rent" is the gross rent paid by the claim-
27 ant to the landlord for the homestead divided by the number of adults residing
28 in the homestead and not related to the claimant as husband or wife.

1 ••87b3686/1 •• 87b3730/2••SECTION 245b. 71.09 (7) (a) 7 of the statutes,
2 as affected by 1987 Wisconsin Act 27, is amended to read:

3 71.09 (7) (a) 7. "Property taxes accrued" means real or personal property
4 taxes or monthly parking permit fees under s. 66.058 (3) (c), exclusive of
5 special assessments, delinquent interest and charges for service, levied on a
6 homestead owned by the claimant or a member of the claimant's household.
7 "Real or personal property taxes" means those levied under ch. 70, less the
8 tax credit, if any, afforded in respect of such property by s. 79.10. If a
9 homestead is owned by 2 or more persons or entities as joint tenants or ten-
10 ants in common or is owned as marital property or survivorship marital prop-
11 erty and one or more such persons, entities or owners is not a member of the
12 claimant's household, property taxes accrued is that part of property taxes
13 accrued levied on such homestead (reduced by the tax credit under s. 79.10)
14 that reflects the ownership percentage of the claimant and the claimant's
15 household. A marital property agreement or unilateral statement under ch. 766
16 has no effect in computing property taxes accrued for a person whose homestead
17 is not the same as the homestead of that person's spouse. For purposes of
18 this subdivision, property taxes are "levied" when the tax roll is delivered
19 to the local treasurer with the warrant for collection. If a homestead is
20 sold or purchased during the calendar year of the levy, the property taxes
21 accrued for the seller and the buyer are the amount of the tax levy prorated
22 to each in proportion to the periods of time each both owned and occupied the
23 homestead during the year to which the claim relates. The seller may use the
24 closing agreement pertaining to the sale of the homestead, the property tax
25 bill for the year before the year to which the claim relates or the property
26 tax bill for the year to which the claim relates as the basis for computing
27 property taxes accrued, but those taxes are allowable only for the portion of
28 the year during which the seller owned and occupied the sold homestead. If a

1 household owns and occupies 2 or more homesteads in the same calendar year,
2 property taxes accrued is the sum of the prorated property taxes accrued
3 attributable to the household for each of such homesteads. If the household
4 owns and occupies the homestead for part of the calendar year and rents a
5 homestead for part of the calendar year, it may include both the proration of
6 taxes on the homestead owned and rent constituting property taxes accrued with
7 respect to the months the homestead is rented in computing the amount of the
8 claim under pars. ~~(gn)~~ ~~to~~ (grn) and (gro). If a homestead is an integral part
9 of a multipurpose or multidwelling building, property taxes accrued are the
10 percentage of the property taxes accrued on that part of the multipurpose or
11 multidwelling building occupied by the household as a principal residence plus
12 that same percentage of the property taxes accrued on the land surrounding it,
13 not exceeding one acre, that is reasonably necessary for use of the multipur-
14 pose or multidwelling building as a principal residence, except as the
15 limitations of par. (h) apply. If the homestead is part of a farm, property
16 taxes accrued are the property taxes accrued on up to 120 acres of the land
17 contiguous to the claimant's principal residence and include the property
18 taxes accrued on all improvements to real property located on such land,
19 except as the limitations of par. (h) apply.

20 ••87b3686/1 •• 87b3730/2••SECTION 245c. 71.09 (7) (grn) (intro.) of the
21 statutes is amended to read:

22 71.09 (7) (grn) (intro.) The amount of any claim filed in 1987 ~~and~~
23 ~~thereafter~~ or 1988 and based on property taxes accrued or rent constituting
24 property taxes accrued during the previous year is limited as follows:

25 ••87b3686/1 •• 87b3730/2••SECTION 245d. 71.09 (7) (gro) of the statutes
26 is created to read:

1 71.09 (7) (gro) The amount of any claim filed in 1989 and thereafter and
2 based on property taxes accrued or rent constituting property taxes accrued
3 during the previous year is limited as follows:

4 1. If the household income was \$9,000 or less in the year to which the
5 claim relates, the claim is limited to 80% of the property taxes accrued or
6 rent constituting property taxes accrued or both in that year on the claim-
7 ant's homestead.

8 2. If the household income was more than \$9,000 in the year to which the
9 claim relates, the claim is limited to 80% of the amount by which the property
10 taxes accrued or rent constituting property taxes accrued or both in that year
11 on the claimant's homestead exceeds 12.381% of the household income exceeding
12 \$9,000.

13 3. No credit may be allowed if the household income of a claimant exceeds
14 \$19,500.

15 ••87b3686/1 •• 87b3730/2••SECTION 245e. 71.09 (7) (h) 5 of the statutes
16 is amended to read:

17 71.09 (7) (h) 5. In calendar year ~~1984, or any subsequent calendar year~~
18 years 1984 to 1987, \$1,200.

19 ••87b3686/1 •• 87b3730/2••SECTION 245f. 71.09 (7) (h) 6 of the statutes
20 is created to read:

21 71.09 (7) (h) 6. In calendar year 1988 and thereafter, \$1,300.

22 ••87b2707/1••SECTION 245m. 71.09 (11) (a) 1. c of the statutes is amended
23 to read:

24 71.09 (11) (a) 1. c. For partnerships except publicly traded partnerships
25 treated as corporations under s. 71.02 (1) (af), "claimant" means each indi-
26 vidual partner.

27 ••87-5516/3 •• 87b3584/1••SECTION 245p. 71.09 (11) (a) 3 of the statutes
28 is amended to read:

1 71.09 (11) (a) 3. "Farmland" means 35 or more acres of real property in
2 this state owned by the claimant or any member of the claimant's household
3 during the income year for which a credit under this subsection is claimed if
4 the farmland, during that year, produced not less than \$6,000 in gross farm
5 profits resulting from the farmland's agricultural use, as defined in s. 91.01
6 (1), or if the farmland, during that year and the 2 years immediately pre-
7 ceding that year, produced not less than \$18,000 in such profits, or if at
8 least 35 acres of the farmland, during all or part of that year, was enrolled
9 in the conservation reserve program under 16 USC 3831 to 3836.

10 ••87-5516/3 •• 87b3584/1••SECTION 245r. 71.09 (11) (a) 3m of the statutes
11 is amended to read:

12 71.09 (11) (a) 3m. "Gross farm profits" means gross receipts, excluding
13 rent, from agricultural use, as defined in s. 91.01 (1) including the fair
14 market value at the time of disposition of payments in kind for placing land
15 in federal programs or payments from the federal dairy termination program
16 under 7 USC 1446 (d), less the cost or other basis of livestock or other items
17 purchased for resale which are sold or otherwise disposed of during the income
18 year.

19 ••87b3686/1 •• 87b3730/2••SECTION 245rs. 71.09 (11) (a) 5 of the statutes
20 is amended to read:

21 71.09 (11) (a) 5. "Household income" means all of the income of the
22 claimant, and the claimant's spouse and the farm income, including wages,
23 earned on the farm to which the credit applies of all minor dependents
24 attributable to the income year while members of the household.

25 ••87b3686/1 •• 87b3730/2••SECTION 245rx. 71.09 (11) (a) 6. a of the
26 statutes, as affected by 1987 Wisconsin Act 27, is amended to read:

27 71.09 (11) (a) 6. a. For an individual, means income as defined under
28 sub. (7) (a) 6, plus nonfarm business losses, plus amounts under s. 46.27,

1 less net operating loss carry-forwards, less first-year depreciation allow-
2 ances under section 179 of the internal revenue code and less the first
3 ~~\$25,000~~ \$30,000 of depreciation expenses in respect to the farm claimed by all
4 of the individuals in a household.

5 ••87b3686/1 •• 87b3730/2••SECTION 245ry. 71.09 (11) (a) 6. b of the
6 statutes, as affected by 1987 Wisconsin Act 27, is amended to read:

7 71.09 (11) (a) 6. b. For a corporate claimant, except a tax-option
8 corporation, means the same as for an individual claimant except that net
9 income plus any farm business loss carry-forward allowed under s. 71.06 shall
10 be included instead of income under sub. (7) (a) 6 and "income" of a corporate
11 claimant shall include all household income of each of its corporate share-
12 holders of record at the end of its income year, plus nonfarm business losses
13 and depreciation expenses of the corporate claimant, except the first ~~\$25,000~~
14 \$30,000 of depreciation expenses in respect to the farm.

15 ••87-5353/1••SECTION 246. 71.09 (11) (a) 7 of the statutes, as affected
16 by 1987 Wisconsin Act 27, is amended to read:

17 71.09 (11) (a) 7. "Property taxes accrued" means property taxes, exclu-
18 sive of special assessments, delinquent interest and charges for service,
19 levied on the farmland and improvements owned by the claimant or any member of
20 the claimant's household in any calendar year under ch. 70, less the tax
21 credit, if any, afforded in respect of the property by s. 79.10. "Property
22 taxes accrued" shall not exceed \$6,000 for taxable years before 1988 and
23 \$8,000 for taxable year 1988 and thereafter. If farmland is owned by a tax-
24 option corporation or by 2 or more persons or entities as joint tenants, ten-
25 ants in common or partners or is marital property or survivorship marital
26 property and one or more such persons, entities or owners is not a member of
27 the claimant's household, "property taxes accrued" is that part of property
28 taxes levied on the farmland (₂ reduced by the tax credit under s. 79.10₂).

1 that reflects the ownership percentage of the claimant and the claimant's
2 household. For purposes of this paragraph, property taxes are "levied" when
3 the tax roll is delivered to the local treasurer with the warrant for
4 collection. If farmland is sold during the calendar year of the levy the
5 "property taxes accrued" for the seller and ~~buyer shall be~~ is the amount of
6 the tax levy, reduced by the tax credit under s. 79.10, prorated to each the
7 seller in the closing agreement pertaining to the sale of the farmland ~~or, if~~
8 ~~not so provided for in the closing agreement, the tax levy shall be prorated~~
9 ~~between the seller and buyer in proportion to months of their respective~~
10 ~~ownership, except that if the seller does not reimburse the buyer for any part~~
11 ~~of those property taxes there are no "property taxes accrued" for the seller,~~
12 ~~and the "property taxes accrued" for the buyer is the property taxes levied on~~
13 ~~the farmland, reduced by the tax credit under s. 79.10, minus, if the seller~~
14 ~~reimburses the buyer for part of the property taxes, the amount prorated to~~
15 ~~the seller in the closing agreement. With the claim for credit under this~~
16 ~~subsection, the seller shall submit a copy of the closing agreement and the~~
17 ~~buyer shall submit a copy of the closing agreement and a copy of the property~~
18 ~~tax bill.~~

19 ••87b3686/1 •• 87b3730/2••SECTION 246g. 71.09 (11) (b) (intro.), 1 and 2
20 of the statutes are repealed and recreated to read:

21 71.09 (11) (b) (intro.) Except as provided in par. (bm), the amount of
22 any claim filed in 1989 and thereafter and based upon property taxes accrued
23 in the previous year shall be determined as follows:

24 1. The amount of excessive property taxes shall be computed by subtract-
25 ing from property taxes accrued the amount of 5% of the 2nd \$5,000 of house-
26 hold income plus 7% of the 3rd \$5,000 of household income plus 9% of the 4th
27 \$5,000 of household income plus 15% of the 5th \$5,000 of household income plus
28 26% of the 6th \$5,000 of household income plus 38% of the 7th \$5,000 of

1 household income plus 40% of the household income in excess of \$35,000. The
2 maximum excessive property tax which can be utilized is \$8,000.

3 2. The credit under this subsection shall be limited to 90% of the first
4 \$3,000 of excessive property taxes plus 70% of the 2nd \$3,000 of excessive
5 property taxes plus 50% of the next \$2,000 of excessive property taxes. The
6 maximum credit may not exceed \$5,800 for any claimant. The credit for any
7 claimant shall be the greater of either the credit as calculated under this
8 subsection as it exists at the end of the year for which the claim is filed or
9 the credit as calculated under this subsection as it existed on the date on
10 which the farmland became subject to a current agreement under subch. II of
11 ch. 91 if it was not extended or that subsection as it existed on the date the
12 agreement was extended under s. 91.13 (10) if it was extended, using for such
13 calculations household income and property taxes accrued of the year for
14 which the claim is filed.

15 ••87-5516/3 •• 87b2946/1••SECTION 250m. 71.09 (11) (bm) of the statutes
16 is amended to read:

17 71.09 (11) (bm) If the farmland is subject to a certified ordinance under
18 subch. V of ch. 91, or an agreement under subch. II of ch. 91, in effect at
19 the close of the year for which the credit is claimed, the amount of the claim
20 is 10% of the property taxes accrued or the amount determined under par. (b),
21 whichever is greater.

22 ••87-5516/3 •• 87b3584/1••SECTION 250r. 71.09 (11) (h) (intro.) of the
23 statutes is amended to read:

24 71.09 (11) (h) (intro.) Every claimant under this subsection shall
25 supply, at the request of the department, in support of the claim, a copy of
26 the property tax bill relating to the farmland, certification by the claimant
27 that all taxes owed by the claimant on the property for which the claim is
28 made for the year before the year for which the claim is made have been paid

1 and a copy of the farmland preservation agreement or a certificate of the
2 appropriate zoning authority. The farmland preservation agreement shall con-
3 tain provisions specified under s. 91.13 (8) including either a provision
4 requiring farming operations to be conducted in substantial accordance with a
5 soil and water conservation plan prepared under s. 92.104 or a provision
6 requiring farming operations to be conducted in compliance with reasonable
7 soil and water conservation standards established under s. 92.105. The
8 certificate of the zoning authority shall certify:

9 ••87-5185/2••SECTION 251. 71.09 (12m) (title) of the statutes is created
10 to read:

11 71.09 (12m) (title) COMMUNITY DEVELOPMENT FINANCE CREDIT.

12 ••87-5185/2••SECTION 252. 71.09 (12m) (a) of the statutes is amended to
13 read:

14 71.09 (12m) (a) Any corporation which contributes an amount to the com-
15 munity development finance authority under s. 233.03, 1985 stats., or to the
16 housing and economic development authority under s. 234.03 (32) and, in the
17 same year purchases common stock or partnership interests of the community
18 development finance company issued under s. 233.05 (2), 1985 stats., or 234.95
19 (2) in an amount no greater than the contribution to the authority, may credit
20 against taxes otherwise due an amount equal to 75% of the purchase price of
21 the stock or partnership interests. The credit received under this paragraph
22 may not exceed 75% of the contribution to the community development finance
23 authority.

24 ••87b3491/2••SECTION 252m. 71.09 (12q) of the statutes is created to
25 read:

26 71.09 (12q) REHABILITATION OF NONDEPRECIABLE HISTORIC PROPERTY. (a) For
27 taxable years 1989 and 1990, any person may credit against taxes otherwise due
28 under this chapter an amount equal to 25% of the approved costs of preser-

1 vation or rehabilitation of historic property, except that the credit may not
2 exceed \$50,000 for any preservation or rehabilitation project.

3 (b) The department of revenue shall approve the credit under this subsec-
4 tion if all of the following conditions are met:

5 1. The costs are incurred and the claim is submitted by the owner of the
6 historic property.

7 2. The historic property is nondepreciable.

8 3. The state historical society certifies that:

9 a. The property is listed on the national register of historic places in
10 Wisconsin or the state register of historic places or is located in a historic
11 district which is listed in the national register of historic places in
12 Wisconsin or the state register of historic places and is certified by the
13 state historic preservation officer as being of historic significance to the
14 district.

15 b. The proposed preservation or rehabilitation complies with standards
16 promulgated under s. 44.02 (24).

17 c. The property is subject to an easement, covenant or similar restric-
18 tion running with the land which is held by the state historical society or by
19 an entity approved by the state historical society, which protects the his-
20 toric features of the property and which, at the time the credit is received,
21 will remain effective for a term of at least 20 years.

22 4. The preservation or rehabilitation work is completed within 2 years
23 after the commencement date, except in the case of any preservation or reha-
24 bilitation which is initially planned for completion in phases, in which case
25 the work shall be completed within 5 years after the commencement date.

26 5. The expenditures for preservation or rehabilitation of the historic
27 property which are approved under subd. 3. b and are incurred within the time
28 period in subd. 4 exceed the Wisconsin adjusted basis of the historic property

1 on the date that preservation or rehabilitation is commenced or \$1,000,
2 whichever is greater.

3 6. The costs are not incurred to acquire any building or interest in a
4 building or to enlarge existing building.

5 7. The costs were not incurred before the state historical society
6 approved the preservation or rehabilitation under subd. 3. b.

7 (c) The Wisconsin adjusted basis of the historic property shall be
8 reduced by the amount of any credit awarded under this subsection.

9 (d) Applications for credit under this subsection shall be made on a form
10 prescribed by the department of revenue and shall be attached to the claim-
11 ant's tax return under this chapter.

12 (e) Any person may carry forward to the next 5 taxable years the credit
13 under par. (a) not offset against taxes for the year the expense was incurred
14 to the extent not offset by those taxes otherwise due in all intervening years
15 between the year for which the credit was computed and the year for which the
16 carry-forward is claimed.

17 (f) No person may claim a credit under this subsection and under sub.
18 (12p) for the same expenses.

19 (g) The provisions of sub. (12r) (d), (f) and (j) to (L), as they apply
20 to the credit under that subsection, apply to the credit under this
21 subsection.

22 ••87b2707/1••SECTION 254e. 71.09 (12r) (L) of the statutes is amended to
23 read:

24 71.09 (12r) (L) Nonclaimants. The credit under this subsection may not
25 be claimed by a partnership, except a publicly traded partnership treated as a
26 corporation under s. 71.02 (1) (af) or tax-option corporation or by partners,
27 including partners of a publicly traded partnership, or shareholders of a
28 tax-option corporation.

1 ••87b3380/1••SECTION 254f. 71.095 (1) of the statutes is amended to read:
2 71.095 (1) Every individual filing an income tax return who has a tax
3 liability or is entitled to a tax refund may designate ~~§1~~ §2 for the Wisconsin
4 election campaign fund for the use of eligible candidates under s. 11.50. If
5 the individuals filing a joint return have a tax liability or are entitled to
6 a tax refund, each individual may make a designation of ~~§1~~ §2 under this
7 subsection.

8 ••87b2708/2••SECTION 254g. 71.10 (1) (intro.) of the statutes is amended
9 to read:

10 71.10 (1) (intro.) Every corporation, except corporations all of whose
11 income is exempt from taxation and except as provided in sub. (1m), shall
12 furnish to the department a true and accurate statement, on or before March 15
13 of each year (except that returns for fiscal years ending on some other date
14 than December 31 shall be furnished on or before the 15th day of the 3rd month
15 following the close of such fiscal year) in such manner and form and setting
16 forth such facts as the department deems necessary to enforce this chapter.
17 Such statement shall be subscribed by the president, vice president,
18 treasurer, assistant treasurer, chief accounting officer or any other officer
19 duly authorized so to act. In the case of a return made for a corporation by
20 a fiduciary such fiduciary shall subscribe the return. The fact that an
21 individual's name is subscribed on the return shall be prima facie evidence
22 that such individual is authorized to subscribe the return on behalf of the
23 corporation.

24 ••87b2708/2••SECTION 254r. 71.10 (1m) of the statutes is created to read:

25 71.10 (1m) Every corporation subject to a tax on unrelated business
26 income under s. 71.01 (3) (a), if that corporation is required to file for
27 federal income tax purposes, shall furnish to the department of revenue a true
28 and accurate statement on or before the date on or before which it is required

1 to file for federal income tax purposes. The requirements about manner, form
2 and subscription under sub. (1) apply to statements under this subsection.

3 ••87b2707/1••SECTION 254t. 71.10 (2) (d) of the statutes is amended to
4 read:

5 71.10 (2) (d) For purposes of this subsection, "gross income" means all
6 income, from whatever source derived and in whatever form realized, whether in
7 money, property or services, which is not exempt from Wisconsin income taxes.
8 Gross income includes, but is not limited to, the following items: compen-
9 sation for services, including salaries, wages and fees, commissions and
10 similar items; gross income derived from business; gains derived from dealings
11 in property; interest; rents; royalties; dividends; alimony and separate
12 maintenance payments; annuities; income from life insurance and endowment
13 contracts; pensions; income from discharge of indebtedness; distributive
14 shares of partnership gross income except distributive shares of the income of
15 publicly traded partnerships treated as corporations under s. 71.02 (1) (af);
16 income in respect of a decedent; and income from an interest in an estate or
17 trust. Gross income from a business or farm consists of the total gross
18 receipts without reduction for cost of goods sold, expenses or any other
19 amounts. The gross rental amounts received from rental properties are
20 included in gross income without reduction for expenses or any other amounts.
21 Gross income from the sale of securities, property or other assets consists of
22 the gross selling price without reduction for the cost of the assets, expenses
23 of sale or any other amounts. Gross income from an annuity, retirement plan
24 or profit sharing plan consists of the gross amount received without reduction
25 for the employe's contribution to the annuity or plan.

26 ••87b2707/1••SECTION 254v. 71.10 (3) (a) and (b) of the statutes are
27 amended to read:

1 71.10 (3) (a) Every partnership, except publicly traded partnerships
2 treated as corporations under s. 71.02 (1) (af) shall furnish to the depart-
3 ment a true and accurate statement, on or before April 15 of each year, except
4 that returns for fiscal years ending on some other date than December 31,
5 shall be furnished on or before the 15th day of the 4th month following the
6 close of such fiscal year, in such manner and form and setting forth such
7 facts as the department deems necessary to enforce this chapter. The state-
8 ment shall be subscribed by one of the members of the partnership.

9 (b) The net income of the partnership, except publicly traded partner-
10 ships treated as corporations under s. 71.02 (1) (af) shall be computed in the
11 same manner and on the same basis as provided for computation of the income of
12 persons other than corporations.

13 ••87-5344/2••SECTION 255. 71.10 (10) (d) of the statutes is amended to
14 read:

15 71.10 (10) (d) Except as provided in ~~par. (e)~~ pars. (e) and (em), no
16 refund shall be made and no credit shall be allowed for any year, the income
17 of which was assessed as a result of a field audit, and which assessment has
18 become final under s. 71.12 (1) and (3), 73.01 or 73.015, and no refund shall
19 be made and no credit shall be allowed on any item of income or deduction,
20 assessed as a result of an office audit, the assessment of which shall have
21 become final under s. 71.12 (1) and (3), 73.01 or 73.015.

22 ••87-5344/2••SECTION 256. 71.10 (10) (em) of the statutes is created to
23 read:

24 71.10 (10) (em) In respect to overpayments attributable to a capital loss
25 carry-back, a corporation may claim a refund within 4 years after the due
26 date, including extensions, for filing the return for the taxable year of the
27 capital loss that is carried back.

1 ••87-5340/2••SECTION 259. 71.21 (1m) (am) of the statutes, as created by
2 1987 Wisconsin Act 27, is amended to read:

3 71.21 (1m) (am) If no return is filed, or a return is filed the tax com-
4 puted on which is less than 75% of the tax properly due and the ~~addition to~~
5 ~~tax~~ interest under this section is \$300 or more, "return" means a return that
6 would show the tax properly due. If a return is timely filed and if either
7 the tax computed on it is at least 75% of the tax properly due or the ~~addition~~
8 ~~to tax~~ interest under this section is less than \$300, "return" means that
9 timely return. If a return is filed late and if either the tax computed on it
10 is at least 75% of the tax properly due or the ~~addition to tax~~ interest under
11 this section is less than \$300, "return" means the first return filed after
12 the due date or after the due date as extended.

13 ••87-5340/2••SECTION 260. 71.21 (11) and (12) (intro.) and (c) of the
14 statutes, as affected by 1987 Wisconsin Act 27, are amended to read:

15 71.21 (11) Except as provided in sub. (12), in the case of any underpay-
16 ment of estimated tax by an individual, estate or trust, except as hereinafter
17 provided, there shall be added to the aggregate tax for the taxable year ~~an~~
18 ~~amount determined~~ interest at the rate of 12% per year on the amount of the
19 underpayment for the period of the underpayment. In this subsection, "the
20 period of the underpayment" means the time period from the due date of the
21 instalment until either the 15th day of the 4th month beginning after the end
22 of the taxable year or the date of payment, whichever is earlier.

23 (12) (intro.) No ~~addition to tax~~ interest is required under sub. (11) if
24 any of the following conditions apply:

25 (c) The secretary of revenue determines that because of casualty, disas-
26 ter or other unusual circumstances it is not equitable to impose ~~an addition~~
27 ~~to tax~~ interest.

1 ••87-5340/2••SECTION 261. 71.22 (1) (a) of the statutes, as affected by
2 1987 Wisconsin Act 27, is amended to read:

3 71.22 (1) (a) If no return is filed, or a return is filed the tax com-
4 puted on which is less than 75% of the tax properly due and the ~~addition to~~
5 ~~tax~~ interest under sub. (7) is \$300 or more, "return" means a return that
6 would show the tax properly due. If a return is timely filed and if either
7 the tax computed on it is at least 75% of the tax properly due or the ~~addition~~
8 ~~to tax~~ interest under sub. (7) is less than \$300, "return" means that timely
9 return. If a return is filed late and if either the tax computed on it is at
10 least 75% of the tax properly due or the ~~addition to tax~~ interest under sub.
11 (7) is less than \$300, "return" means the first return filed after the due
12 date or after the due date as extended.

13 ••87-5427/1••SECTION 262. 71.22 (3m) of the statutes is created to read:

14 71.22 (3m) The department of revenue may refund estimated taxes after the
15 completion of the taxable year to which the estimated taxes relate if the
16 refund is at least 10% of the taxes estimated for that taxable year and is at
17 least \$500.

18 ••87-5340/2••SECTION 263. 71.22 (7) and (8) (intro.) of the statutes, as
19 affected by 1987 Wisconsin Act 27, are amended to read:

20 71.22 (7) Except as provided in sub. (8), in the case of any underpayment
21 of estimated tax under this section there shall be added to the aggregate tax
22 for the taxable year ~~an amount determined~~ interest at the rate of 12% per year
23 on the amount of the underpayment for the period of the underpayment. In this
24 subsection, "period of the underpayment" means the time period from the due
25 date of the instalment until either the 15th day of the 3rd month beginning
26 after the end of the taxable year or the date of payment, whichever is
27 earlier. Any estimated taxes not paid by the 15th day of the 3rd month