

2005 DRAFTING REQUEST

Bill

Received: 10/21/2004

Received By: jkreye

Wanted: As time permits

Identical to LRB:

For: Spencer Black (608) 266-7521

By/Representing: bill

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters:

Subject: Tax, Business - crp inc, fran

Extra Copies:

Submit via email: YES

Requester's email: Rep.Black@legis.state.wi.us

Carbon copy (CC:) to: joseph.kreye@legis.state.wi.us

Pre Topic:

No specific pre topic given

Topic:

Disclosing corporate income tax settlements and audits

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P1	jkreye 10/21/2004	lkunkel 11/09/2004 lkunkel 11/09/2004	rschluet 11/10/2004	_____	mbarman 11/10/2004		State
/1	jkreye 11/22/2004	jdyer 11/22/2004	chaugen 11/22/2004	_____	sbasford 11/22/2004	sbasford 01/05/2005	State

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LRB-0573

11/22/2004 10:40:13 AM

Page 2

Vers. Drafted Reviewed Typed Proofed Submitted Jacketed Required

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/P1	jkreye	/p1/mk 11/9 /p1/kj 11/9					

FE Sent For:

<END>

Kreye, Joseph

From: Graf, Bill
Sent: Wednesday, October 20, 2004 2:24 PM
To: Kreye, Joseph
Subject: Drafting Request

Please draft a bill to require the Department of Revenue to disclose the amount of and reason for any audit or settlement of a corporation's income tax return that increases the corporation's tax liability by \$100,000 or more. You may feel free to contact Rep. Black if you have questions or need further information about this request. Thank you.

Bill Graf

Research Assistant

State Representative

Spencer Black

214 North, State Capitol / P.O. Box 8952
Madison, WI 53708-8952
(608) 266-7521



State of Wisconsin
2005 - 2006 LEGISLATURE

LRB-0573/P1

JK.....

Imk&KJF

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

in 10/21-04 D-N

GenCat

1 AN ACT ...; relating to: disclosing income and franchise tax settlements and
2 audits. ✓

Analysis by the Legislative Reference Bureau

★ Under current law, the department of revenue (DOR) may not disclose information contained in an income or franchise tax return or claim submitted to DOR, except under limited circumstances which are generally related to tax administration and law enforcement. Under this bill, DOR ~~is~~ may disclose to any person the amount of and the reason for any audit of or settlement relating to a return or claim filed by a corporation that increases the corporation's tax liability for any taxable year by at least \$100,000. ✓

✓ For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

3 SECTION 1. 71.78 (1) of the statutes is amended to read:

4 71.78 (1) DIVULGING INFORMATION. Except as provided in subs. (4), (4m), (9m),
5 and (10), no person may divulge or circulate or offer to obtain, divulge or circulate any
6 information derived from an income, franchise, withholding, fiduciary, partnership,

1 limited liability company or gift tax return or tax credit claim, including information
2 which may be furnished by the department as provided in this section. This
3 subsection does not prohibit publication by any newspaper of information lawfully
4 derived from such returns or claims for purposes of argument or prohibit any public
5 speaker from referring to such information in any address. This subsection does not
6 prohibit the department from publishing statistics classified so as not to disclose the
7 identity of particular returns, or claims or reports and the items thereof. This
8 subsection does not prohibit employees or agents of the department of revenue from
9 offering or submitting any return, including joint returns of a spouse or former
10 spouse, separate returns of a spouse, individual returns of a spouse or former spouse
11 and combined individual income tax returns, or from offering or submitting any
12 claim, schedule, exhibit, writing or audit report or a copy of, and any information
13 derived from, any of those documents as evidence into the record of any contested
14 matter involving the department in proceedings or litigation on state tax matters if,
15 in the department's judgment, that evidence has reasonable probative value.

History: 1987 a. 312; 1987 a. 411 ss. 99, 100, 188; 1991 a. 269, 301; 1993 a. 112, 399; 1995 a. 27 ss. 3420x to 3423g, 9116 (5); 1995 a. 233, 404; 1997 a. 27, 63, 237, 323; 1999 a. 32, 89.

16 **SECTION 2.** 71.78 (9m) of the statutes is created to read:

17 **71.78 (9m) DISCLOSURE OF AUDITS AND SETTLEMENTS.** The department may
18 disclose to any person the amount of and the reason for any audit of or settlement
19 relating to a return or claim filed by a corporation that increases the corporation's
20 tax liability for any taxable year by at least \$100,000. ✓

21 (END)

note

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0573/P1dn

JK:.....

Imk, kjf

(date)

Representative Black:

Please review this draft carefully to ensure that it is consistent with your intent. ✓

Joseph T. Kreye
Legislative Attorney
Phone: (608) 266-2263
E-mail: joseph.kreye@legis.state.wi.us

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0573/P1dn
JK:lmk&kjf:rs

November 10, 2004

Representative Black:

Please review this draft carefully to ensure that it is consistent with your intent.

Joseph T. Kreye
Legislative Attorney
Phone: (608) 266-2263
E-mail: joseph.kreye@legis.state.wi.us

Kreye, Joseph

From: Rep.Black
Sent: Friday, November 19, 2004 12:58 PM
To: Kreye, Joseph
Subject: revisions to drafts

Hi Joe

Thanks for the drafts:

here are two relatively small changes.

LRB-0573/P1

Page 2 line 17 change may to shall I would like it to be required, not discretionary

[REDACTED]

Spence



State of Wisconsin
2005 - 2006 LEGISLATURE

LRB-0573/P1
JK:lmk&kjf:rs

stays
RM

~~PRELIMINARY DRAFT NOT READY FOR INTRODUCTION~~

in 11-22-04
(SDW)

Regen

1 AN ACT *to amend* 71.78 (1); and *to create* 71.78 (9m) of the statutes; **relating**
2 **to:** disclosing income and franchise tax settlements and audits.

Analysis by the Legislative Reference Bureau

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5 speaker from referring to such information in any address. This subsection does not
6 prohibit the department from publishing statistics classified so as not to disclose the
7 identity of particular returns, or claims or reports and the items thereof. This
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19 relating to a return or claim filed by a corporation that increases the corporation's
20 tax liability for any taxable year by at least \$100,000.

21 (END)

Basford, Sarah

From: Zimmerman, Terri
Sent: Wednesday, January 05, 2005 12:56 PM
To: LRB.Legal
Subject: Draft review: LRB 05-0573/1 Topic: Disclosing corporate income tax settlements and audits

It has been requested by <Zimmerman, Terri> that the following draft be jacketed for the ASSEMBLY:

Draft review: LRB 05-0573/1 Topic: Disclosing corporate income tax settlements and audits