

**\*-0402/5.8\* SECTION 1412.** 71.47 (1dm) (hm) of the statutes is amended to read:

71.47 (1dm) (hm) ~~Credits claimed~~ A claimant may claim the credit under this subsection, including any credits carried over, ~~may be offset only~~ against the amount of the tax otherwise due under this subchapter ~~attributable to income from the business operations of the claimant in the development zone; except that a claimant in a development zone under s. 560.795 (1) (e) may offset credits, including any credits carried over, against the amount of the tax otherwise due under this subchapter attributable to all of the claimant's income; and against the tax attributable to income from directly related business operations of the claimant.~~

**\*-0403/2.3\* SECTION 1413.** 71.47 (1dx) (a) 5. of the statutes is amended to read:

71.47 (1dx) (a) 5. “Member of a targeted group” means a person who resides in an ~~empowerment zone, or an enterprise community, that the U.S. government designates~~ area designated by the federal government as an economic revitalization area, a person who is employed in an unsubsidized job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin ~~works~~ Works employment position, a person who is employed in a trial job, as defined in s. 49.141 (1) (n), a person who is eligible for child care assistance under s. 49.155, a person who is a vocational rehabilitation referral, an economically disadvantaged youth, an economically disadvantaged veteran, a supplemental security income recipient, a general assistance recipient, an economically disadvantaged ex-convict, a qualified summer youth employee, as defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or a food stamp recipient, ~~if the person has been certified in the manner under sub. (1dj) (am) 3. by a designated local agency, as defined in sub. (1dj) (am) 2.~~

**\*-0402/5.9\* SECTION 1414.** 71.47 (1dx) (b) (intro.) of the statutes is amended to read:

71.47 (1dx) (b) *Credit.* (intro.) Except ~~or~~ as provided in pars. (be) and (bg) and in s. 73.03 (35), and subject to s. 560.785, for any taxable year for which the person is entitled under s. 560.795 (3) to claim tax benefits or certified under s. 560.765 (3), 560.797 (4) or 560.798 (3), any person may claim as a credit against the taxes imposed ~~on the person's income from the person's business activities in a development zone otherwise due under this chapter~~ the following amounts:

**\*-1656/3.45\* SECTION 1419.** 71.47 (2m) (a) 1. b. of the statutes is amended to read:

71.47 (2m) (a) 1. b. For partnerships, except publicly traded partnerships treated as corporations under s. 71.22 (1) (1k), or limited liability companies, except limited liability companies treated as corporations under s. 71.22 (1) (1k), “claimant” means each individual partner or member.

**\*-1245/2.13\* SECTION 1420.** 71.47 (3n) (title) of the statutes is amended to read:

71.47 (3n) (title) DAIRY AND LIVESTOCK FARM INVESTMENT CREDIT.

**\*b0348/1.6\* SECTION 1424b.** 71.47 (3n) (a) 2. (intro.) of the statutes is amended to read:

71.47 (3n) (a) 2. (intro.) “Dairy farm modernization or expansion” means the construction, the improvement, or the acquisition of buildings or facilities, or the acquisition of equipment, for dairy animal housing, confinement, animal feeding, milk production, or waste management, including the following, if used exclusively related to dairy animals and if acquired and placed in service in this state during taxable years that begin after December 31, 2003, and before January 1, 2010:

**\*b0348/1.6\* SECTION 1424c.** 71.47 (3n) (a) 4. of the statutes is created to read:

71.47 (3n) (a) 4. “Livestock” means cattle, not including dairy animals; swine; poultry, not including farm–raised game birds or ratites; fish that are raised in aquaculture facilities; sheep; and goats.

**\*b0348/1.6\* SECTION 1424d.** 71.47 (3n) (a) 5. of the statutes is created to read:

71.47 (3n) (a) 5. “Livestock farm modernization or expansion” means the construction, the improvement, or the acquisition of buildings or facilities, or the acquisition of equipment, for livestock housing, confinement, feeding, or waste management, including the following, if used exclusively related to livestock and if acquired and placed in service in this state during taxable years that begin after December 31, 2005, and before January 1, 2012:

- a. Birthing structures.
- b. Rearing structures.
- c. Feedlot structures.
- d. Feed storage and handling equipment.
- e. Fences.
- f. Watering facilities.
- g. Scales.
- h. Manure pumping and storage facilities.
- i. Digesters.
- j. Equipment used to produce energy.
- k. Fish hatchery buildings.
- L. Fish processing buildings.
- m. Fish rearing ponds.

**\*b0348/1.6\* SECTION 1424e.** 71.47 (3n) (a) 6. of the statutes is created to read:

71.47 (3n) (a) 6. a. For taxable years that begin after December 31, 2003, and before January 1, 2006, “used exclusively,” related to dairy animals, means used to the exclusion of all other uses except for use not exceeding 5 percent of total use.

b. For taxable years that begin after December 31, 2005, and before January 1, 2010, “used exclusively,” related to livestock, dairy animals, or both, means used to the exclusion of all other uses except for use not exceeding 5 percent of total use.

c. For taxable years that begin after December 31, 2009, and before January 1, 2012, “used exclusively,” related to livestock, means used to the exclusion of all other uses except for use not exceeding 5 percent of total use.

**\*b0348/1.6\* SECTION 1425b.** 71.47 (3n) (b) of the statutes is renumbered 71.47 (3n) (b) 1.

**\*b0348/1.6\* SECTION 1425c.** 71.47 (3n) (b) 2. of the statutes is created to read:

71.47 (3n) (b) 2. Subject to the limitations provided in this subsection, for taxable years that begin after December 31, 2005, and before January 1, 2012, a claimant may claim as a credit against the tax imposed under s. 71.43 an amount equal to 10 percent of the amount the claimant paid in the taxable year for livestock farm modernization or expansion related to the operation of the claimant’s livestock farm.

**\*b0348/1.6\* SECTION 1425d.** 71.47 (3n) (e) of the statutes is renumbered 71.47 (3n) (e) 1. and amended to read:

71.47 (3n) (e) 1. Partnerships, limited liability companies, and tax–option corporations may not claim the credit under this subsection, but the eligibility for, and the amount of, the credit are based on their payment of expenses under par. (b), except that the aggregate amount of credits that the entity may compute shall not exceed \$50,000. A partnership, limited liability company, or tax–option corporation

shall compute the amount of credit that each of its partners, members, or shareholders may claim and shall provide that information to each of them. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit in proportion to their ownership interest.

**\*b0348/1.6\* SECTION 1425e.** 71.47 (3n) (e) 2. of the statutes is created to read:

71.47 (3n) (e) 2. If 2 or more persons own and operate the dairy or livestock farm, each person may claim a credit under par. (b) in proportion to his or her ownership interest, except that the aggregate amount of the credits claimed by all persons who own and operate the farm shall not exceed \$50,000.

**\*-1656/3.46\* SECTION 1426.** 71.47 (4) (a) of the statutes is amended to read:

71.47 (4) (a) *Credit.* Any corporation may credit against taxes otherwise due under this chapter an amount equal to 5% of the amount obtained by subtracting from the corporation's qualified research expenses, as defined in section 41 of the internal revenue code, except that "qualified research expenses" includes only expenses incurred by the claimant, incurred for research conducted in this state for the taxable year, except that a taxpayer may elect the alternative computation under section 41 (c) (4) of the Internal Revenue Code and that election applies until the department permits its revocation and except that "qualified research expenses" does not include compensation used in computing the credit under subs. (1dj) and (1dx), the corporation's base amount, as defined in section 41 (c) of the internal revenue code, except that gross receipts used in calculating the base amount means gross receipts from sales attributable to Wisconsin under s. 71.25 (9) (b) 1. and 2. and, (d), (df), and (dh). Section 41 (h) of the internal revenue code does not apply to the credit under this paragraph.

**\*-1656/3.47\* SECTION 1427.** 71.47 (4) (am) of the statutes is amended to read:

71.47 (4) (am) *Development zone additional research credit.* In addition to the credit under par. (a), any corporation may credit against taxes otherwise due under this chapter an amount equal to 5% of the amount obtained by subtracting from the corporation's qualified research expenses, as defined in section 41 of the internal revenue code, except that "qualified research expenses" include only expenses incurred by the claimant in a development zone under subch. VI of ch. 560, except that a taxpayer may elect the alternative computation under section 41 (c) (4) of the Internal Revenue Code and that election applies until the department permits its revocation and except that "qualified research expenses" do not include compensation used in computing the credit under sub. (1dj) nor research expenses incurred before the claimant is certified for tax benefits under s. 560.765 (3), the corporation's base amount, as defined in section 41 (c) of the internal revenue code, in a development zone, except that gross receipts used in calculating the base amount means gross receipts from sales attributable to Wisconsin under s. 71.25 (9) (b) 1. and ~~2. and~~ (d), (df), and (dh) and research expenses used in calculating the base amount include research expenses incurred before the claimant is certified for tax benefits under s. 560.765 (3), in a development zone, if the claimant submits with the claimant's return a copy of the claimant's certification for tax benefits under s. 560.765 (3) and a statement from the department of commerce verifying the claimant's qualified research expenses for research conducted exclusively in a development zone. The rules under s. 73.03 (35) apply to the credit under this paragraph. The rules under sub. (1di) (f) and (g) as they apply to the credit under that subsection apply to claims under this paragraph. Section 41 (h) of the internal revenue code does not apply to the credit under this paragraph. No credit may be claimed under this paragraph for taxable years that begin on January 1, 1998, or

thereafter. Credits under this paragraph for taxable years that begin before January 1, 1998, may be carried forward to taxable years that begin on January 1, 1998, or thereafter.

**\*-1656/3.48\* SECTION 1428.** 71.47 (4) (i) of the statutes is amended to read:

71.47 (4) (i) *Nonclaimants.* The credits under this subsection may not be claimed by a partnership, except a publicly traded partnership treated as a corporation under s. 71.22 (~~1~~) (1k), limited liability company, except a limited liability company treated as a corporation under s. 71.22 (~~1~~) (1k), or tax-option corporation or by partners, including partners of a publicly traded partnership, members of a limited liability company or shareholders of a tax-option corporation.

**\*b0362/P3.8\* SECTION 1428k.** 71.47 (5g) of the statutes is created to read:

71.47 (5g) HEALTH INSURANCE RISK-SHARING PLAN ASSESSMENTS CREDIT. (a) *Definitions.* In this subsection, “claimant” means an insurer, as defined in s. 149.10 (5), who files a claim under this subsection.

(b) *Filing claims.* Subject to the limitations provided under this subsection, for taxable years beginning after December 31, 2005, a claimant may claim as a credit against the taxes imposed under s. 71.43 an amount that is equal to a percentage of the amount of assessment under s. 149.13 that the claimant paid in the taxable year, as determined under par. (c) 1.

(c) *Limitations.* 1. The department of revenue, in consultation with the office of the commissioner of insurance, shall determine the percentage under par. (b) for each claimant for each taxable year so that the cost of the credit under this subsection and ss. 71.07 (5g), 71.28 (5g), and 76.655 is as close as practicable to \$2,000,000 in the 2006–07 fiscal year and \$5,000,000 in each fiscal year thereafter.

2. Partnerships, limited liability companies, and tax–option corporations may not claim the credit under this subsection, but the eligibility for, and the amount of, the credit are based on their payment of amounts described under par. (b). A partnership, limited liability company, or tax–option corporation shall compute the amount of credit that each of its partners, members, or shareholders may claim and shall provide that information to each of them. Partners, members of limited liability companies, and shareholders of tax–option corporations may claim the credit in proportion to their ownership interests.

(d) *Administration.* Section 71.28 (4) (e) to (h), as it applies to the credit under s. 71.28 (4), applies to the credit under this subsection.

**\*b0362/P3.8\* SECTION 1428p.** 71.49 (1) (dm) of the statutes is created to read:

71.49 (1) (dm) Health insurance risk–sharing plan assessments credit under s. 71.47 (5g).

**\*-1656/3.49\* SECTION 1429.** 71.58 (1) (c) of the statutes is amended to read:

71.58 (1) (c) For partnerships except publicly traded partnerships treated as corporations under s. 71.22 (1) (1k), “claimant” means each individual partner.

**\*-1656/3.50\* SECTION 1430.** 71.58 (1) (cm) of the statutes is amended to read:

71.58 (1) (cm) For limited liability companies, except limited liability companies treated as corporations under s. 71.22 (1) (1k), “claimant” means each individual member.

**\*b0408/1.1\* SECTION 1430m.** 71.67 (5) (a) of the statutes is amended to read:

71.67 (5) (a) *Wager winnings.* A person holding a license to sponsor and manage races under s. 562.05 (1) (b), (bm), or (c) shall withhold from the amount of any payment of pari–mutuel winnings under s. 562.065 (3) (a) or (3m) (a) an amount determined by multiplying the amount of the payment by the highest rate applicable

to individuals under s. 71.06 (1) (a) to (c), (1m), (1n) or (1p) if the amount of the payment is more than \$1,000.

**\*b0408/1.1\* SECTION 1430o.** 71.67 (5) (b) of the statutes is amended to read:

71.67 (5) (b) *Deposits.* The licensee under s. 562.05 (1) (b), (bm), or (c) shall deposit the amounts withheld under this subsection as would an employer depositing under s. 71.65 (3).

**\*-0306/2.1\* SECTION 1431.** 71.775 of the statutes is created to read:

**71.775 Withholding from nonresident members of pass-through entities.** (1) DEFINITIONS. In this section:

(a) “Nonresident” includes an individual who is not domiciled in this state; a partnership, limited liability company, or corporation whose commercial domicile is outside the state; and an estate or a trust that is a nonresident under s. 71.14 (1) to (3m).

(b) “Pass-through entity” means a partnership, a limited liability company, a tax-option corporation, an estate, or a trust that is treated as a pass-through entity for federal income tax purposes.

(2) WITHHOLDING TAX IMPOSED. (a) For the privilege of doing business in this state or deriving income from property located in this state, a pass-through entity that has Wisconsin income for the taxable year that is allocable to a nonresident partner, member, shareholder, or beneficiary shall pay a withholding tax. The amount of the tax imposed under this subsection to be withheld from the income distributable to each nonresident partner, member, shareholder, or beneficiary is equal to the nonresident partner’s, member’s, shareholder’s, or beneficiary’s share of income attributable to this state, multiplied by the following:

1. For an individual, an estate, or a trust that is a pass-through entity, the highest tax rate for a single individual for the taxable year under s. 71.06.

2. For a partnership, a limited liability company, or a tax-option corporation that is a pass-through entity, the highest tax rate for the taxable year under s. 71.27.

(b) A pass-through entity that is also a member of another pass-through entity is subject to withholding under this subsection and shall pay the tax based on the share of income that is distributable to each of the entity's nonresident partners, members, shareholders, or beneficiaries.

**(3) EXEMPTIONS.** (a) A nonresident partner's, member's, shareholder's, or beneficiary's share of income from the pass-through entity that is attributable to this state shall not be included in determining the withholding under sub. (2) if any of the following applies:

1. The partner, member, shareholder, or beneficiary is exempt from taxation under this chapter. For purposes of this subdivision, the pass-through entity may rely on a written statement from the partner, member, shareholder, or beneficiary claiming to be exempt from taxation under this chapter, if the pass-through entity attaches a copy of the statement to its return for the taxable year and if the statement specifies the name, address, federal employer identification number, and reason for claiming an exemption for each partner, member, shareholder, or beneficiary claiming to be exempt from taxation under this chapter.

2. The partner, member, shareholder, or beneficiary has no Wisconsin income other than his or her share of income from the pass-through entity that is attributable to this state and his or her share of such income is less than \$1,000.

(b) A pass-through entity that is a joint venture is not subject to the withholding under sub. (2), if the pass-through entity has elected not to be treated as a partnership under section 761 of the Internal Revenue Code.

(cm) A pass-through entity that is a publicly traded partnership, as defined under section 7704 (b) of the Internal Revenue Code, that is treated as a partnership under the Internal Revenue Code is not subject to the withholding under sub. (2), if the entity files with the department an information return that reports the name, address, taxpayer identification number, and any other information requested by the department for each unit holder with an income in this state from the entity in excess of \$500.

(4) ADMINISTRATION. (a) Each pass-through entity that is subject to the withholding under sub. (2) shall pay the amount of the tax withheld to the department no later than:

1. For tax-option corporations, the 15th day of the 3rd month following the close of the taxable year.

2. For partnerships, limited liability companies, estates, and trusts, the 15th day of the 4th month following the close of the taxable year.

(b) 1. If the pass-through entity has an extension of time to file its return, the tax withheld under sub. (2) is due on the unextended due date of the entity's return as provided under s. 71.13 (1), 71.20 (1), or 71.24 (1).

2. A pass-through entity that pays the tax withheld under sub. (2) as provided under subd. 1. is not subject to an underpayment of estimated tax under s. 71.09 or 71.29, if 90 percent of the tax that is due for the current taxable year is paid by the unextended due date or if 100 percent of the tax that is due for the taxable year immediately preceding the current taxable year is paid by the unextended due date

and the taxable year immediately preceding the current taxable year was a 12-month period. Interest at the rate 12 percent shall be imposed on the unpaid amount of the tax withheld under sub. (2) during any extension period and interest at the rate of 18 percent shall be imposed on the unpaid amount of the tax withheld under sub. (2) for the period beginning with the extended due date and ending with the date that the unpaid amount is paid in full.

(c) On or before the due date, including extensions, of the entity's return, a pass-through entity that withholds tax under sub. (2) shall annually notify each of its nonresident partners, members, shareholders, or beneficiaries of the amount of the tax withheld under sub. (2) that the pass-through entity paid on the nonresident partner's, member's, shareholder's, or beneficiary's behalf. The pass-through entity shall provide a copy of the notice to the department with the return that it files for the taxable year.

(d) A nonresident partner, member, shareholder, or beneficiary of a pass-through entity may claim a credit, as prescribed by the department, on his or her Wisconsin income or franchise tax return for the amount withheld under sub. (2) on his or her behalf. For purposes of this paragraph, the amount withheld under sub. (2) is considered to be paid on the last day of the pass-through entity's taxable year for which the tax is paid.

(e) Any tax withheld under this section shall be held in trust for this state, and a pass-through entity subject to withholding under this section shall be liable to the department for the payment of the tax withheld. No partner, member, shareholder, or beneficiary of a pass-through entity shall have any right of action against the pass-through entity with respect to any amount withheld and paid in compliance with this section.

(f) If a pass-through entity subject to withholding under this section fails to withhold tax as required by this section, the pass-through entity shall be liable for any tax, interest, and penalties. If a nonresident partner, member, shareholder, or beneficiary of the pass-through entity files a return and pays the tax due, the pass-through entity shall not be liable for the tax, but shall be liable for any interest and penalties otherwise applicable for failure to withhold, as provided under ss. 71.82 (2) (d) and 71.83.

**\*b0276/1.1\* SECTION 1431s.** 71.78 (2) of the statutes is amended to read:

71.78 (2) DISCLOSURE OF NET TAX. The department shall make available upon suitable forms prepared by the department information setting forth the net Wisconsin income tax, Wisconsin franchise tax or Wisconsin gift tax reported as paid or payable in the returns filed by any individual or corporation, and any amount of delinquent taxes owed, as described in s. 73.03 (62), by any such individual or corporation, for any individual year upon request. Before the request is granted, the person desiring to obtain the information shall prove his or her identity and shall be required to sign a statement setting forth the person's address and reason for making the request and indicating that the person understands the provisions of this section with respect to the divulgement, publication or dissemination of information obtained from returns as provided in sub. (1). The use of a fictitious name is a violation of this section. Within 24 hours after any information from any such tax return has been so obtained, the department shall mail to the person from whose return the information has been obtained a notification which shall give the name and address of the person obtaining the information and the reason assigned for requesting the information. The department shall collect from the person requesting the information a fee of \$4 for each return.

**\*b0276/1.1\* SECTION 1432c.** 71.78 (4) (r) of the statutes is created to read:

71.78 (4) (r) The secretary of revenue and employees of that department for the purpose of preparing and maintaining the list of persons with unpaid tax obligations as described in s. 73.03 (62) so that the list of such persons is available for public inspection.

**\*b0352/1.1\* SECTION 1432m.** 71.83 (1) (ce) of the statutes is created to read:

71.83 (1) (ce) *Health savings accounts.* Any person who is liable for a penalty for federal income tax purposes under section 223 (f) (4) of the Internal Revenue Code is liable for a penalty equal to 33 percent of that penalty. The department of revenue shall assess, levy, and collect the penalty under this paragraph as it assesses, levies, and collects taxes under this chapter.

**\*-0301/1.1\* SECTION 1434.** 71.93 (1) (a) 1. of the statutes is amended to read:

71.93 (1) (a) 1. An amount owed to a state agency that, if the amount has been reduced to a judgment or if the state agency has provided the debtor reasonable notice and an opportunity to be heard with regards to the amount owed.

**\*-0265/3.22\* SECTION 1435.** 71.93 (1) (a) 3. of the statutes is amended to read:

71.93 (1) (a) 3. An amount that the department of health and family services may recover under s. 49.45 (2) (a) 10. ~~or, 49.497, 49.793, or 49.847,~~ if the department of health and family services has certified the amount under s. 49.85.

**\*-0265/3.23\* SECTION 1436.** 71.93 (1) (a) 4. of the statutes is amended to read:

71.93 (1) (a) 4. An amount that the department of workforce development may recover under s. 49.161, or 49.195 (3), ~~or 49.793,~~ or may collect under s. 49.147 (6) (cm), if the department of workforce development has certified the amount under s. 49.85.

**\*-0305/3.1\* SECTION 1437.** 71.93 (1) (cm) of the statutes is created to read:

71.93 (1) (cm) “Disbursement” means any payment to a person who provides goods and services to the state under subch. IV or V of ch. 16 or under ch. 84.

**\*-0305/3.2\* SECTION 1438.** 71.93 (2) of the statutes is amended to read:

71.93 (2) CERTIFICATION. A state agency may certify to the department ~~for setoff~~ any properly identified debt exceeding \$20 so that the department may set off the amount of the debt against a refund to the debtor or so that the department of administration may reduce a disbursement to the debtor by the amount of the debt. At least 30 days prior to certification each debtor shall be sent a notice by the state agency of its intent to certify the debt to the department for setoff or reduction and of the debtor’s right of appeal. At the time of certification, the certifying state agency shall furnish the social security number of individual debtors and the federal employer identification number of other debtors.

**\*-0305/3.3\* SECTION 1439.** 71.93 (3) of the statutes is renumbered 71.93 (3) (a) and amended to read:

71.93 (3) (a) ADMINISTRATION. In administering this section the department shall first check with the state agency certifying the debt to determine whether the debt has been collected by other means. If the debt remains uncollected the department of revenue shall setoff any debt or other amount owed to the department, regardless of the origin of the debt or of the amount, its nature or its date. If after the setoff there remains a refund in excess of \$10, the department shall set off the remaining refund against certified debts of other state agencies. If more than one certified debt exists for any debtor, the refund shall be first set off against the earliest debt certified, except that no child support or spousal support obligation submitted by an agency of another state may be set off until all debts owed to and certified by state agencies of this state have been set off. When all debts have been satisfied, any

remaining refund shall be refunded to the debtor by the department. Any legal action contesting a setoff under this paragraph shall be brought against the state agency that certified the debt under sub. (2).

**\*-0305/3.4\* SECTION 1440.** 71.93 (3) (b) of the statutes is created to read:

71.93 (3) (b) The department shall provide the information obtained under sub. (2) to the department of administration. Before reducing any disbursement as provided under this paragraph, the department of administration shall contact the department to verify whether a certified debt that is the basis of the reduction has been collected by other means. If the certified debt remains uncollected, the department of administration shall reduce the disbursement by the amount of the debtor's certified debt under sub. (2), notify the department of such reduction and disbursement, and remit the amount of the reduction to the department in the manner prescribed by the department. If more than one certified debt exists for any debtor, the disbursement shall be reduced first by any debts certified under s. 73.12 then by the earliest debt certified. Any legal action contesting a reduction under this paragraph shall be brought against the state agency that certified the debt under sub. (2).

**\*-0305/3.5\* SECTION 1441.** 71.93 (4) of the statutes is amended to read:

71.93 (4) SETTLEMENT. Within 30 days after the close of each calendar quarter, the department shall settle with each state agency that has certified a debt. Each settlement shall note the opening balance of debts certified, any additions or deletions, reductions or amounts set off, and the ending balance at the close of the settlement period.

**\*-0305/3.6\* SECTION 1442.** 71.93 (5) of the statutes is amended to read:

71.93 (5) STATE AGENCY CHARGED FOR COSTS. At the time of each settlement, each state agency shall be charged for administration expenses, and the amounts charged shall be credited to the department's appropriation under s. 20.566 (1) (h). Annually on or before November 1, the department shall review its costs incurred during the previous fiscal year in administering state agency setoffs and reductions and shall adjust its subsequent charges to each state agency to reflect that experience.

**\*-0305/3.7\* SECTION 1443.** 71.93 (6) of the statutes is amended to read:

71.93 (6) WRITTEN AGREEMENT AND AUTHORITY OF DEPARTMENT. Any state agency wishing to certify debts to the department shall enter into a written agreement with the department prior to any certification of debt. Any certification of debts by a state agency or changes to certified debts shall be in a manner and form prescribed by the department. The secretary of revenue shall be the final authority in the resolution of any interagency disputes in regard to certification of debts. If a refund or disbursement is adjusted after a setoff or reduction, the department may readjust any erroneous settlement with a certifying state agency.

**\*-0305/3.8\* SECTION 1444.** 71.93 (7) of the statutes is amended to read:

71.93 (7) EXCHANGE OF INFORMATION. Information relative to changes to any debt certified shall be exchanged promptly by each agency ~~and the department setoff.~~ Setoff of refunds and reduction of disbursements against debts certified by agencies, and any ~~reports~~ report of the setoff or reduction to certifying state agencies, is not a violation of ss. 71.78, 72.06, 77.61 (5), 78.80 (3), and 139.38 (6).

**\*-0305/3.9\* SECTION 1445.** 71.935 (1) (cm) of the statutes is created to read:

71.935 (1) (cm) "Disbursement" means any payment to a person who provides goods and services to the state under subch. IV or V of ch. 16 or under ch. 84.

**\*-0299/2.2\* SECTION 1446.** 71.935 (2) of the statutes is amended to read:

71.935 (2) A municipality or county may certify to the department any debt owed to it. Not later than 5 days after certification, the municipality or county shall notify the debtor in writing of its certification of the debt to the department, of the basis of the certification and of the debtor's right to appeal and, in the case of parking citations, of the debtor's right to contest the citation. At the time of certification, the municipality or county shall furnish to the department the name and social security number or operator's license number of each individual debtor and the name and federal employer identification number of each other debtor.

**\*-0305/3.10\* SECTION 1447.** 71.935 (3) of the statutes is renumbered 71.935 (3) (a) and amended to read:

71.935 (3) (a) If the debt remains uncollected and, in the case of a parking citation, if the debtor has not contested the citation within 20 days after the notice under sub. (2), the department shall set off the debt against any refund that is owed to the debtor after the setoff under s. 71.93. Any legal action contesting a setoff shall be brought against the municipality or county that certified the debt under sub. (2).

**\*-0305/3.11\* SECTION 1448.** 71.935 (3) (b) of the statutes is created to read:

71.935 (3) (b) The department shall provide the information obtained under sub. (2) to the department of administration. Before reducing any disbursement as provided under this paragraph, the department of administration shall contact the department to verify whether a certified debt that is the basis of the reduction has been collected by other means and, in the case of a parking citation, whether the debtor has contested the citation within 20 days after the notice under sub. (2). If the certified debt remains uncollected and, in the case of a parking citation, the citation has not been contested within 20 days after the notice under sub. (2), the department of administration shall, after any reduction under s. 71.93, reduce the

disbursement by the amount of the debtor's certified debt under sub. (2), notify the department of such reduction and disbursement, and remit the amount of the reduction to the department in the manner prescribed by the department. If more than one debt certified under sub. (2) exists for any debtor, the disbursement shall be reduced first by the earliest debt certified. Any legal action contesting a reduction under this paragraph shall be brought against the municipality or county that certified the debt under sub. (2).

**\*-0305/3.12\* SECTION 1449.** 71.935 (4) of the statutes is amended to read:

71.935 (4) Within 30 days after the end of each calendar quarter, the department shall settle with each municipality and county for the amounts ~~that the department setoff~~ set off or reduced against certified debts for the municipality or county during that calendar quarter.

**\*-0305/3.13\* SECTION 1450.** 71.935 (5) of the statutes is amended to read:

71.935 (5) At the time of each settlement, each municipality and county shall be charged for administration expenses, and the amounts charged shall be credited to the appropriation account under s. 20.566 (1) (h). Annually on or before November 1, the department shall review its costs incurred during the previous fiscal year in administering ~~setoffs~~ and reductions under this section and shall adjust its subsequent charges to each municipality and county to reflect that experience.

**\*b0352/1.2\* SECTION 1450g.** Subchapter XVI of chapter 71 [precedes 71.98] of the statutes is created to read:

## CHAPTER 71

### SUBCHAPTER XVI

#### INTERNAL REVENUE CODE UPDATE

**71.98 Internal Revenue Code update.** The following federal laws, to the extent that they apply to the Internal Revenue Code, apply to this chapter:

(1) **HEALTH SAVINGS ACCOUNTS.** Section 1201 of P.L. 108–173, relating to health savings accounts.

**\*b0276/1.2\* SECTION 1456c.** 73.03 (62) of the statutes is created to read:

73.03 (62) To prepare and maintain a list of all persons who owe delinquent taxes, including interest, penalties, fees, and costs, to the department, in excess of \$25,000, which are unpaid for more than 90 days after all appeal rights have expired, and to post the names of persons from this list on the Internet at a site that is created and maintained by the department for this purpose. The Internet site shall list the name, address, type of tax due, and amount of tax due, including interest, penalties, fees, and costs for each person who has one of the delinquent taxpayer accounts, and the Internet site shall also contain a special page for the persons who have the 100 largest delinquent taxpayer accounts. Except as otherwise provided in this subsection, the department shall update the Internet site on a quarterly basis. The department may not post on the Internet the name of any person who has reached an agreement or compromise with the department, or the department of justice, under s. 71.92 and is in compliance with that agreement, regarding the payment of delinquent taxes, or the name of any person who is protected by a stay that is in effect under the Federal Bankruptcy Code; the Internet posting shall be updated each business day, as defined in s. 562.01 (3m), to comply with these prohibitions.

**\*-0347/2.3\* SECTION 1459.** 73.0301 (1) (d) 3. of the statutes is amended to read:

73.0301 (1) (d) 3. A license, certificate of approval, provisional license, conditional license, certification, certification card, registration, permit, training permit or approval specified in s. 50.35, 50.49 (6) (a) or (10), 51.038, 51.04, 51.42 (7)

(b) 11., 51.421 (3) (a), 51.45 (8), 146.40 (3) or (3m), 146.50 (5) (a) or (b), (6g) (a), (7) or (8) (a) or (f), ~~250.05 (5)~~, 252.23 (2), 252.24 (2), 254.176, 254.20 (3), 255.08 (2) (a) or 343.305 (6) (a) or a permit for operation of a campground specified in s. 254.47 (1).

**\*-0300/4.1\* SECTION 1460.** 73.0301 (2) (b) 1. a. of the statutes is amended to read:

73.0301 (2) (b) 1. a. If, after a request is made under par. (a) 1. or 2., the department of revenue certifies that the license holder or applicant for a license or license renewal or continuation is liable for delinquent taxes, revoke the license or deny the application for the license or license renewal or continuation. The department of transportation may suspend licenses described in sub. (1) (d) 7. in lieu of revoking those licenses. A suspension, revocation or denial under this subd. 1. a. is not subject to administrative review or, except as provided in subd. 2. and sub. (5) (am), judicial review. With respect to a license granted by a credentialing board, the department of regulation and licensing shall make a revocation or denial under this subd. 1. a. With respect to a license to practice law, the department of revenue shall not submit a certification under this subd. 1. a. to the supreme court until after the license holder or applicant has exhausted his or her remedies under sub. (5) (a) and (am) or has failed to make use of such remedies.

**\*-0300/4.2\* SECTION 1461.** 73.0301 (2) (b) 1. b. of the statutes is amended to read:

73.0301 (2) (b) 1. b. Mail a notice of suspension, revocation or denial under subd. 1. a. to the license holder or applicant. The notice shall include a statement of the facts that warrant the suspension, revocation or denial and a statement that the license holder or applicant may, within 30 days after the date on which the notice of denial, suspension or revocation is mailed, file a written request with the

department of revenue to have the certification of tax delinquency on which the suspension, revocation or denial is based reviewed at a hearing under sub. (5) (a). With respect to a license granted by a credentialing board, the department of regulation and licensing shall mail a notice under this subd. 1. b. With respect to a license to practice law, the department of revenue shall mail a notice under this subd. 1. b. and the notice shall indicate that the license holder or applicant may request a hearing under sub. (5) (a) and (am) and that the department of revenue shall submit a certificate of delinquency to suspend, revoke, or deny a license to practice law to the supreme court after the license holder or applicant has exhausted his or her remedies under sub. (5) (a) and (am) or has failed to make use of such remedies. A notice sent to a person who holds a license to practice law or who is an applicant for a license to practice law shall also indicate that the department of revenue may not submit a certificate of delinquency to the supreme court if the license holder or applicant pays the delinquent tax in full or enters into an agreement with the department of revenue to satisfy the delinquency.

**\*-0300/4.3\* SECTION 1462.** 73.0301 (2) (b) 2. of the statutes is amended to read:

73.0301 (2) (b) 2. If Except as provided in subd. 2m., if notified by the department of revenue that the department of revenue has affirmed a certification of tax delinquency after a hearing under sub. (5) (a), affirm a suspension, revocation or denial under subd. 1. a. A license holder or applicant may seek judicial review under ss. 227.52 to 227.60, except that the review shall be in the circuit court for Dane County, of an affirmation of a revocation or denial under this subdivision. With respect to a license granted by a credentialing board, the department of regulation and licensing shall make an affirmation under this subdivision.

**\*-0300/4.4\* SECTION 1463.** 73.0301 (2) (b) 2m. of the statutes is created to read:

73.0301 (2) (b) 2m. With respect to a license to practice law, if notified by the department of revenue that the department of revenue has affirmed a certification of tax delinquency after any requested review under sub. (5) (a) and (am), decide whether to suspend, revoke, or deny a license to practice law.

**\*-0299/2.3\* SECTION 1464.** 73.0301 (2) (c) 2. of the statutes is amended to read:

73.0301 (2) (c) 2. A licensing department may not disclose any information received under subd. 1. a. or b. to any person except to the department of revenue for the sole purpose of requesting certifications under par. (b) 2. in accordance with the memorandum of understanding under sub. (4) and administering state taxes or to the department of workforce development for the purpose of administering s. 49.22.

**\*-0300/4.5\* SECTION 1465.** 73.0301 (5) (a) of the statutes is amended to read:

73.0301 (5) (a) The department of revenue shall conduct a hearing requested by a license holder or applicant for a license or license renewal or continuation under sub. (2) (b) 1. b. or by an applicant for certification or recertification or a certificate holder under s. 73.03 (50) or 73.09 (7m) (b) to review a certification or determination of tax delinquency that is the basis of a denial or revocation of a license in accordance with this section or of a certificate, certification or recertification under s. 73.03 (50) or 73.09 (7m). A hearing under this paragraph is limited to questions of mistaken identity of the license or certificate holder or applicant and of prior payment of the delinquent taxes for which the department of revenue certified or determined the license or certificate holder or applicant is liable. At a hearing under this paragraph, any statement filed by the department of revenue, the licensing department or the supreme court, if the supreme court agrees, may be admitted into evidence and is prima facie evidence of the facts that it contains. Notwithstanding ch. 227, a person

entitled to a hearing under this paragraph is not entitled to any other notice, hearing or review, except as provided in par. (am) and sub. (2) (b) 2.

**\*-0300/4.6\* SECTION 1466.** 73.0301 (5) (am) of the statutes is created to read:

73.0301 (5) (am) If a person who holds a license to practice law or who is an applicant for a license to practice law receives a hearing under par. (a) to review a certification or determination of tax delinquency that is the basis for a denial, suspension, or revocation of a license to practice law and such certification or determination is affirmed as a result of the hearing under par. (a), the person may seek judicial review of the certification or determination of tax delinquency under ss. 227.52 to 227.60, except that the review shall be in the circuit court for Dane County.

**\*-0300/4.7\* SECTION 1467.** 73.0301 (5) (b) (intro.) of the statutes is amended to read:

73.0301 (5) (b) (intro.) After a hearing conducted under par. (a) or, in the case of a determination related to a license to practice law, after a hearing under par. (a) or, if the hearing is appealed, after judicial review under par. (am), the department of revenue shall do one of the following:

**\*-0305/4.14\*SECTION 1468.** 73.12 (1) (b) of the statutes is amended to read:

73.12 (1) (b) “Vendor” means a person providing goods or services to this state under subch. IV or V of ch. 16 or under ch. 84 ~~if the value of the contract for those goods or services is at least \$500.~~

**\*-0945/2.3\* SECTION 1470.** 76.16 of the statutes is amended to read:

**76.16 Separate valuation of repair facilities, docks, piers, wharves, ore yards, elevators, car ferries and oil pipeline terminal facilities.** After the property of a company is first valued as a whole, if any repair facilities, docks, ore yards, piers, wharves, grain elevators or car ferries used in transferring freight or

passengers between cars and vessels or transfer of freight cars located on car ferries, or if any oil pipeline terminal storage facilities, docks, pipelines and pumping equipment used in transferring oil from pipelines to vessels shall be included in such valuation, then for the purpose of accounting to the proper taxation districts, the department shall make a separate valuation of each such repair facility, dock, ore yard, pier, wharf, grain elevator, including the approaches thereto, or car ferries and of each such oil pipeline terminal storage facility, dock, pipeline and pumping equipment. As used herein, an approach shall be an immediate access facility commencing at the switching point which leads primarily to the terminal facility. For the purpose of defining the oil pipeline terminal facilities affected by this section, such facilities shall begin where the incoming pipeline enters the terminal storage facility site ~~used in the transfer of oil to vessels~~.

**\*-0945/2.4\* SECTION 1471.** 76.24 (2) (a) of the statutes is amended to read:

76.24 (2) (a) All taxes paid by any railroad company derived from or apportionable to repair facilities, docks, ore yards, piers, wharves, grain elevators, and their approaches, or car ferries ~~or terminal storage facilities, docks, pipelines and pumping equipment used in transferring oil from pipelines to vessels~~ on the basis of the separate valuation provided for in s. 76.16, shall be distributed annually from the transportation fund to the towns, villages and cities in which they are located, pursuant to certification made by the department of revenue on or before August 15.

**\*-0945/2.5\* SECTION 1472.** 76.24 (2) (am) of the statutes is created to read:

76.24 (2) (am) All taxes paid by any pipeline company derived from or apportionable to oil pipeline terminal facilities on the basis of the separate valuation under s. 76.16 shall be distributed annually from the appropriation under s. 20.855

(4) (bm) to the towns, villages, and cities in which the facilities are located, pursuant to certification made by the department of revenue no later than November 1.

**\*-0945/2.6\* SECTION 1473.** 76.24 (2) (bm) of the statutes is created to read:

76.24 (2) (bm) If the state is compelled to refund in whole or in part any of the taxes which have been distributed to municipalities under par. (am), the municipalities shall repay to the state, for deposit in the general fund, the amount of such tax received by them, and the department of administration shall certify the amounts to be repaid to the state to the county clerks of the counties in which the municipalities are located for levy and collection from the municipalities as other state taxes are levied and collected.

**\*b0370/3.4\* SECTION 1473b.** 76.28 (3) (e) of the statutes is created to read:

76.28 (3) (e) Beginning with the fees due in calendar year 2008, a light, heat, and power company may claim as a credit against the fees imposed under sub. (2) and s. 76.29 (2) an amount equal to the amount of property taxes imposed under ch. 70 on general structures and substations that the light, heat, and power company paid in the then current calendar year. If a credit computed under this paragraph is not entirely offset against the license fees otherwise due for the then current calendar year, the unused balance may be carried forward and credited against license fees otherwise due for the following 15 calendar years to the extent not offset by the license fees otherwise due in all intervening years between the year in which the property taxes were paid and the year in which the carry-forward credit is claimed.

**\*b0370/3.4\* SECTION 1473d.** 76.28 (9) of the statutes is amended to read:

76.28 (9) PROPERTY SUBJECT TO LOCAL TAX. ~~The~~ Except as provided in s. 70.112 (4) (am) the license fees imposed by this section upon the gross revenues of light, heat and power companies as defined in sub. (1) (e) shall be in lieu of all other taxes on

all property used and useful in the operation of the business of such companies in this state, except that the same shall be subject to special assessments for local improvements. If a general structure is used and useful in part in the operation of the business of those companies in this state and in part for nonoperating purposes, the license fees imposed by this section are in place of the percentage of all other taxes on the property that fairly measures and represents the extent of the use and usefulness in the operation of the business of those companies in this state, and the balance is subject to local assessment and taxation, except that the entire general structure is subject to special assessments for local improvements. Property under s. 76.025 (2) shall not be taxed under this section, but shall be subject to local assessment and taxation.

**\*b0370/3.4\* SECTION 1473e.** 76.29 (2) of the statutes is amended to read:

76.29 (2) IMPOSITION. There Subject to the credits under ss. 76.28 (3) (e) and 76.48 (3d), there is imposed on every light, heat, and power company and electric cooperative that owns an electric utility plant, an annual license fee to be assessed by the department on or before May 1, 2005, and every May 1 thereafter, ending with the assessment on May 1, 2010, measured by the gross revenues of the preceding tax period in an amount equal to the apportionment factor multiplied by gross revenues multiplied by 1.59%. The fee shall become delinquent if not paid when due and when delinquent shall be subject to interest at the rate of 1.5% per month until paid. Gross revenues earned by a light, heat, and power company after December 31, 2009, are subject to the license fee imposed under s. 76.28 (2). Gross revenues earned by an electric cooperative after December 31, 2009, are subject to the license fee imposed under s. 76.48 (1r).

**\*b0276/1.3\* SECTION 1474c.** 76.30 (2) (i) of the statutes is created to read:

76.30 (2) (i) The secretary of revenue and employees of that department for the purposes of preparing and maintaining the list of persons with unpaid tax obligations as described in s. 73.03 (62) so that the list of such persons is available for public inspection.

**\*b0353/1.1\* SECTION 1474m.** 76.39 (1) (am) of the statutes is created to read:

76.39 (1) (am) “Average net rate of taxation” means the average net rate of taxation determined under s. 76.126 as of June of the year prior to the assessment.

**\*b0353/1.1\* SECTION 1474n.** 76.39 (2) of the statutes is amended to read:

76.39 (2) There is levied annually a gross earnings tax in lieu of all property taxes on the car line equipment of a car line company equal to ~~3%~~ of the gross earnings in this state multiplied by the average net rate of taxation. Every railroad company operating in this state shall, upon making payment to each car line company for use of its cars, withhold ~~3%~~ of the amount ~~constituting the gross earnings in this state of such~~ of the tax imposed under this subsection on the car line company.

**\*b0370/3.5\* SECTION 1474p.** 76.48 (3d) of the statutes is created to read:

76.48 (3d) (a) Beginning with the fees due in calendar year 2008, an electric cooperative may claim as a credit against the fees imposed under sub. (1r) and s. 76.29 (2) an amount equal to the amount of any payments in lieu of property taxes that the electric cooperative paid in the then current calendar year, not to exceed the amount of property taxes that the cooperative would have paid in that year had the cooperative’s property been subject to taxation under ch. 70. If a credit computed under this paragraph is not entirely offset against the license fees otherwise due for the then current calendar year, the unused balance may be carried forward and credited against license fees otherwise due for the following 15 calendar years to the

extent not offset by the license fees otherwise due in all intervening years between the year in which the payments were paid and the year in which the carry-forward credit is claimed.

(b) Beginning with distributions in 2008, a general structure owned or leased by an electric cooperative for which a payment in lieu of property taxes is made in the year of the distribution shall not be included in the calculation of payments under s. 79.04 (1) and (2). Beginning with distributions in 2009, a substation of an electric cooperative, other than a transmission substation, for which a payment in lieu of property taxes is made in the year of the distribution shall not be included in the calculation of payments under s. 79.04 (1) and (2).

**\*b0362/P3.9\* SECTION 1474q.** 76.655 of the statutes is created to read:

**76.655 Health insurance risk-sharing plan assessments credit. (1)**

DEFINITIONS. In this section, “claimant” means an insurer, as defined in s. 149.10 (5), who files a claim under this section.

(2) FILING CLAIMS. Subject to the limitations provided under this section, for taxable years beginning after December 31, 2005, a claimant may claim as a credit against the fees imposed under ss. 76.60, 76.63, 76.65, 76.66 or 76.67 an amount that is equal to a percentage of the amount of assessment under s. 149.13 that the claimant paid in the taxable year, as determined under sub. (3).

(3) LIMITATIONS. The department of revenue, in consultation with the office of the commissioner of insurance, shall determine the percentage under sub. (2) for each claimant for each taxable year so that the cost of the credit under this section and ss. 71.07 (5g), 71.28 (5g), and 71.47 (5g) is as close as practicable to \$2,000,000 in the 2006–07 fiscal year and \$5,000,000 in each fiscal year thereafter.

(4) CARRY-FORWARD. If the credit under sub. (2) is not entirely offset against the fees imposed under ss. 76.60, 76.63, 76.65, 76.66, or 76.67 that are otherwise due, the unused balance may be carried forward and credited against those fees in the following 15 years to the extent that it is not offset by those fees otherwise due in all the years between the year in which the assessment was paid and the year in which the carry-forward credit is claimed.

**\*b0362/P3.9\* SECTION 1474s.** 76.67 (2) of the statutes is amended to read:

76.67 (2) If any domestic insurer is licensed to transact insurance business in another state, this state may not require similar insurers domiciled in that other state to pay taxes greater in the aggregate than the aggregate amount of taxes that a domestic insurer is required to pay to that other state for the same year less the credit credits under ~~s.~~ ss. 76.635 and 76.655, except that the amount imposed shall not be less than the total of the amounts due under ss. 76.65 (2) and 601.93 and, if the insurer is subject to s. 76.60, 0.375% of its gross premiums, as calculated under s. 76.62, less offsets allowed under s. 646.51 (7) or under ~~s.~~ ss. 76.635 and 76.655 against that total, and except that the amount imposed shall not be less than the amount due under s. 601.93.

**\*b0378/5.4\* SECTION 1474t.** Chapter 77 (title) of the statutes is amended to read:

#### CHAPTER 77

#### TAXATION OF FOREST CROPLANDS;

#### REAL ESTATE TRANSFER FEES;

#### SALES AND USE TAXES; COUNTY

#### AND SPECIAL DISTRICT SALES

#### AND USE TAXES; MANAGED FOREST

**LAND; TEMPORARY RECYCLING  
SURCHARGE; LOCAL FOOD AND  
BEVERAGE TAX; LOCAL RENTAL  
CAR TAX; PREMIER RESORT AREA  
TAXES; STATE RENTAL VEHICLE FEE;  
DRY CLEANING FEES; REGIONAL  
TRANSIT AUTHORITY FEE**

**\*-0297/3.1\* SECTION 1503.** 77.51 (13) (a) of the statutes is amended to read:

77.51 (13) (a) Every seller who makes any sale, regardless of whether the sale is mercantile in nature, of tangible personal property or taxable a service specified under s. 77.52 (2) (a).

**\*b0198/P2.6\* SECTION 1518m.** 77.51 (14) (L) of the statutes is repealed.

**\*-0297/3.2\* SECTION 1579.** 77.54 (7m) of the statutes is amended to read:

77.54 (7m) Occasional sales of tangible personal property or services, including ~~but not limited to~~ admissions or tickets to an event; by a neighborhood association, church, civic group, garden club, social club or similar nonprofit organization; not involving entertainment for which payment in the aggregate exceeds \$300 \$500 for performing or as reimbursement of expenses unless access to the event may be obtained without payment of a direct or indirect admission fee; conducted by the organization if the organization is not engaged in a trade or business and is not required to have a seller's permit. For purposes of this subsection, an organization is engaged in a trade or business and is required to have a seller's permit if its sales of tangible personal property and services, not including sales of tickets to events, and its events occur on more than 20 days during the year, unless its receipts do not exceed \$15,000 \$25,000 during the year. The exemption under this subsection does

not apply to gross receipts from the sale of bingo supplies to players or to the sale, rental or use of regular bingo cards, extra regular cards and special bingo cards.

\*\*\*\*NOTE: This is reconciled s. 77.54 (20). This SECTION has been affected by LRB-0303/2 and LRB-0404/3.

**\*-0404/4.113\* SECTION 1599.** 77.54 (20) (c) 4. of the statutes is amended to read:

77.54 (20) (c) 4. Taxable sales do not include meals, food, food products, or beverages sold by hospitals, sanatoriums, nursing homes, retirement homes, community-based residential facilities, as defined in s. 50.01 (1g), or day care centers registered licensed under ch. 48 and served at a hospital, sanatorium, nursing home, retirement home, community-based residential facility, or day care center. In this subdivision “retirement home” means a nonprofit residential facility where 3 or more unrelated adults or their spouses have their principal residence and where support services, including meals from a common kitchen, are available to residents. Taxable sales do not include meals, food, food products, or beverages sold to the elderly or handicapped by persons providing “mobile meals on wheels”.

**\*b0361/1.1\* SECTION 1631m.** 77.54 (47) of the statutes is renumbered 77.54 (47) (intro.) and amended to read:

77.54 (47) (intro.) The gross receipts from the sale of and the storage, use, or other consumption of live all of the following:

(a) Live game birds, and clay pigeons, that are sold to bird hunting preserves licensed under s. 169.19.

**\*b0361/1.1\* SECTION 1631p.** 77.54 (47) (b) of the statutes is created to read:

77.54 (47) (b) Clay pigeons that are sold to a shooting facility, if any of the following applies:

1. The shooting facility is required to pay the tax imposed under s. 77.52 on its gross receipts from charges for shooting at the facility.

2. The shooting facility is a nonprofit organization that charges for shooting at the facility, but is not required to pay the tax imposed under s. 77.52 on its gross receipts from such charges because the charges are for occasional sales, as provided under sub. (7m).

**\*b0356/P2.1\* SECTION 1632m.** 77.54 (49) of the statutes is created to read:

77.54 (49) The gross receipts from the sale of and the storage, use, or other consumption of taxable services and tangible personal property that is physically transferred to the purchaser as a necessary part of services that are subject to the taxes imposed under s. 77.52 (2) (a) 7., 10., 11., and 20., if the seller and the purchaser of such services and property are members of the same affiliated group under section 1504 of the Internal Revenue Code and are eligible to file a single consolidated return for federal income tax purposes. For purposes of this subsection, if a seller purchases a taxable service or tangible personal property, as described in the subsection, that is subsequently sold to a member of the seller's affiliated group and the sale is exempt under this subsection from the taxes imposed under this subchapter, the original purchase of the taxable service or tangible personal property by the seller is not considered a sale for resale or exempt under this subsection.

**\*b0358/P2.1\* SECTION 1632n.** 77.54 (50) of the statutes is created to read:

77.54 (50) The gross receipts from the sale of taxable services provided by a temporary help company, as defined in s. 108.02 (24m), if the client for whom the services are provided controls the means of performing the services and is responsible for the satisfactory completion of the services.

**\*-0303/4.170\* SECTION 1656.** 77.61 (4) (c) of the statutes is amended to read:

77.61 (4) (c) For reporting the sales tax and collecting and reporting the use tax imposed on the retailer under s. 77.53 (3) and the accounting connected with it, retailers may deduct 0.5% of the first \$50,000, and 0.2% of any amount exceeding \$50,000, of those taxes payable or \$10 for that reporting period required under s. 77.58 (1), whichever is greater, but not more than the amount of the sales taxes or use taxes that is payable under ss. 77.52 (1) and 77.53 (3) for that reporting period required under s. 77.58 (1), as administration expenses if the payment of the taxes is not delinquent. For purposes of calculating the retailer's discount under this paragraph, the taxes on retail sales reported by retailers under subch. V, including taxes collected and remitted as required under s. 77.785, shall be included if the payment of those taxes is not delinquent.

**\*b0276/1.4\* SECTION 1657c.** 77.61 (5) (b) 12. of the statutes is created to read:

77.61 (5) (b) 12. The secretary of revenue and employees of that department for the purposes of preparing and maintaining the list of persons with unpaid tax obligations as described in s. 73.03 (62) so that the list of such persons is available for public inspection.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

**\*-0303/4.178\* SECTION 1666m.** 77.705 of the statutes is amended to read:

**77.705 Adoption by resolution; baseball park district.** A local professional baseball park district created under subch. III of ch. 229, by resolution under s. 229.68 (15), may impose a sales tax and a use tax under this subchapter at a rate of no more than 0.1% of the gross receipts or sales price. Those taxes may be imposed only in their entirety. The resolution shall be effective on the first day of the first month that begins at least 30 days after the adoption of the resolution. Any

moneys transferred from the appropriation account under s. 20.566 (1) (gd) to the appropriation account under s. 20.835 (4) (gb) shall be used exclusively to retire the district's debt.

**\*-0303/4.179\* SECTION 1667n.** 77.706 of the statutes is amended to read:

**77.706 Adoption by resolution; football stadium district.** A local professional football stadium district created under subch. IV of ch. 229, by resolution under s. 229.824 (15), may impose a sales tax and a use tax under this subchapter at a rate of 0.5% of the gross receipts or sales price. Those taxes may be imposed only in their entirety. The imposition of the taxes under this section shall be effective on the first day of the first month that begins at least 30 days after the certification of the approval of the resolution by the electors in the district's jurisdiction under s. 229.824 (15). Any moneys transferred from the appropriation account under s. 20.566 (1) (ge) to the appropriation account under s. 20.835 (4) (ge) shall be used exclusively to retire the district's debt.

**\*b0270/5.9\* SECTION 1684b.** 77.81 (2m) of the statutes is created to read:

77.81 (2m) "Independent certified plan writer" means a plan writer certified by the department but who is not acting under contract with the department under s. 77.82 (3) (g).

**\*b0270/5.9\* SECTION 1684c.** 77.82 (2) (i) of the statutes is amended to read:

77.82 (2) (i) If a proposed management plan is not submitted with the petition, a request that the department prepare a management plan. The department may decline to prepare the plan.

**\*b0270/5.9\* SECTION 1684d.** 77.82 (2m) (a) of the statutes is repealed and recreated to read:

77.82 (2m) (a) 1. A petition under sub. (2), (4m), or (12) shall be accompanied by a nonrefundable application recording fee of \$20 unless a different amount for the recording fee is established by the department by rule at an amount equal to the average expense to the department for recording an order issued under this subchapter.

2. If a petition under sub. (2), (4m), or (12) is not accompanied by a proposed management plan that meets the requirements under par. (c), the department shall charge the plan preparation fee established under par. (am) if the department agrees to complete the plan.

**\*b0270/5.9\* SECTION 1684e.** 77.82 (2m) (am) of the statutes is created to read:

77.82 (2m) (am) The department shall by rule establish on an annual basis a nonrefundable fee that the department shall charge for a management plan prepared by the department, including any plan prepared by a certified plan writer contracted by the department under sub. (3) (g). The fee shall be based on the comparable commercial market rate that is charged for preparation of such management plans.

**\*b0270/5.9\* SECTION 1684f.** 77.82 (2m) (b) of the statutes, as affected by 2003 Wisconsin Act 228, is repealed.

**\*b0270/5.9\* SECTION 1684g.** 77.82 (2m) (c) (intro.) of the statutes is amended to read:

77.82 (2m) (c) (intro.) A proposed management plan that ~~qualifies for the reduced fee under par. (b) is exempt from the plan preparation fee under par. (a) 2.~~ shall be one of the following:

**\*b0270/5.9\* SECTION 1684j.** 77.82 (2m) (c) of the statutes, as affected by 2003 Wisconsin Act 228 and 2005 Wisconsin Act .... (this act), is repealed and recreated to read:

77.82 (2m) (c) A proposed management plan is exempt from the plan preparation fee under par. (a) 2. if it is prepared by an independent certified plan writer.

**\*b0270/5.9\* SECTION 1684jm.** 77.82 (2m) (c) 4. of the statutes is created to read:

77.82 (2m) (c) 4. A proposed management plan prepared by an independent certified plan writer.

**\*b0270/5.9\* SECTION 1684k.** 77.82 (2m) (d) 1. of the statutes is renumbered 77.82 (2m) (d) and amended to read:

77.82 (2m) (d) ~~All the fees collected under this subsection shall be deposited in the conservation fund. All of the recording fees collected under par. (b) and \$20 of each \$300 fee collected under par. (a) 1, shall be credited to the appropriation under s. 20.370 (1) (cr), except as provided under subd. 2.~~

**\*b0270/5.9\* SECTION 1684m.** 77.82 (2m) (d) 2. of the statutes is repealed.

**\*b0270/5.9\* SECTION 1684n.** 77.82 (2m) (dm) of the statutes is renumbered 77.82 (2m) (dm) 1. and amended to read:

77.82 (2m) (dm) 1. ~~The fees~~ Of each fee \$300 or the entire fee, whichever is less, that is collected under ~~pars. par. (a) and or (e) that are~~ is not credited to the appropriation under s. 20.370 (1) (cr) shall be credited to the appropriation under s. 20.370 (1) (cx).

**\*b0270/5.9\* SECTION 1684p.** 77.82 (2m) (dm) 2. of the statutes is created to read:

77.82 (2m) (dm) 2. Any amount not credited to the appropriation under s. 20.370 (1) (cx), as calculated in subd. 1., shall be deposited into the conservation fund for forestry purposes.

**\*b0270/5.9\* SECTION 1684q.** 77.82 (2m) (e) of the statutes is amended to read:

77.82 (2m) (e) If a proposed management plan accompanying a petition filed under sub. (2), (4m), or (12) is not approved by the department under its initial review under sub. (3) (a), and if the department agrees to complete the management plan under sub. (3) (a), the department shall collect from the petitioner a fee in an amount equal to \$300 less the amount the petitioner paid under par. (b) the plan preparation fee established under par. (am), if the petitioner has not previously paid the fee.

**\*b0270/5.9\* SECTION 1684r.** 77.82 (3) (a) of the statutes is amended to read:

77.82 (3) (a) ~~The petitioner may submit a~~ A proposed management plan ~~for~~ may cover the entire acreage of each parcel ~~with~~ subject to the petition. The department, after considering the owner's forest management objectives as stated under sub. (2) (e), shall review and either approve or disapprove the proposed management plan. If the department disapproves ~~a~~ the plan, it shall inform the petitioner of the changes necessary to qualify the plan for approval upon subsequent review. At the request of the petitioner, the department may agree to complete the proposed management plan that has been prepared by an independent certified plan writer. The department shall complete any proposed management plan prepared by the department.

**\*b0270/5.9\* SECTION 1684s.** 77.82 (3) (b) of the statutes is repealed.

**\*b0270/5.9\* SECTION 1684t.** 77.82 (3) (c) (intro.) of the statutes, as affected by 2005 Wisconsin Act 228, is amended to read:

77.82 (3) (c) (intro.) To qualify for approval, a management plan shall be prepared by ~~a- an independent certified plan writer certified by the department or prepared by the department itself~~ and shall include all of the following:

**\*b0270/5.9\* SECTION 1684u.** 77.82 (3) (g) of the statutes is amended to read:

77.82 (3) (g) The department shall certify plan writers and shall promulgate rules specifying the qualifications that a person must satisfy to become a certified plan writer. For management plans prepared by the department under this subsection, the department may contract with plan writers certified by the department to prepare and complete these plans.

**\*b0270/5.9\* SECTION 1684v.** 77.82 (4m) (d) of the statutes is amended to read:

77.82 (4m) (d) An owner of land who has filed a conversion petition under this subsection and ~~who has requested that~~ for whom the department ~~prepare is preparing or completing~~ a management plan under ~~sub. (3) (b)~~ may withdraw the request and ~~not~~ have it prepared by ~~the department~~ an independent certified plan writer if the owner determines that the department is not preparing the management plan in a timely manner.

**\*b0270/5.9\* SECTION 1684w.** 77.82 (7) (c) 3. of the statutes, as created by 2003 Wisconsin Act 228, is amended to read:

77.82 (7) (c) 3. Except as provided in par. (d), if a petition is received on or before May 15 of any year from a petitioner who owns less than 1,000 acres in this state, who, before the deadline established by the department by rule, submitted a draft management plan prepared by ~~a plan writer certified by the department~~ an independent certified plan writer, and who submits a completed plan, as defined by the department by rule, with the petition, the department shall investigate and shall

either approve the petition and issue the order under sub. (8) or deny the petition before the following November 21.

**\*b0362/P3.10\* SECTION 1686f.** 77.92 (4) of the statutes is amended to read:

77.92 (4) “Net business income,” with respect to a partnership, means taxable income as calculated under section 703 of the Internal Revenue Code; plus the items of income and gain under section 702 of the Internal Revenue Code, including taxable state and municipal bond interest and excluding nontaxable interest income or dividend income from federal government obligations; minus the items of loss and deduction under section 702 of the Internal Revenue Code, except items that are not deductible under s. 71.21; plus guaranteed payments to partners under section 707 (c) of the Internal Revenue Code; plus the credits claimed under s. 71.07 (2dd), (2de), (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (3g), (3s), (3n), (3t), ~~and (5b), and (5g)~~; and plus or minus, as appropriate, transitional adjustments, depreciation differences, and basis differences under s. 71.05 (13), (15), (16), (17), and (19); but excluding income, gain, loss, and deductions from farming. “Net business income,” with respect to a natural person, estate, or trust, means profit from a trade or business for federal income tax purposes and includes net income derived as an employee as defined in section 3121 (d) (3) of the Internal Revenue Code.

**\*b0192/P1.1\* SECTION 1686m.** 77.94 (1) (a) of the statutes is amended to read:

77.94 (1) (a) On a corporation under s. 77.93 (1) and (4), an amount equal to the amount calculated by multiplying gross tax liability for the taxable year of the corporation by ~~3%~~ 2%, or in the case of a tax-option corporation an amount equal to the amount calculated by multiplying net income under s. 71.34 by ~~0.2%~~ 0.133%, up to a maximum of \$9,800, or \$25, whichever is greater.

**\*b0192/P1.1\* SECTION 1686n.** 77.94 (1) (b) of the statutes is amended to read:

77.94 (1) (b) On an entity under s. 77.93 (2), (3), or (5), except an entity that has less than \$4,000,000 of gross receipts, an amount equal to the amount calculated by multiplying net business income as allocated or apportioned to this state by means of the methods under s. 71.04, for the taxable year of the entity by ~~0.2%~~ 0.133%, up to a maximum of \$9,800, or \$25, whichever is greater.

**\*b0371/P1.1\* SECTION 1692a.** 77.994 (1) (a) of the statutes is renumbered 77.994 (1) (am).

**\*b0371/P1.1\* SECTION 1692b.** 77.994 (1) (ad) of the statutes is created to read:  
77.994 (1) (ad) 5311 — Department stores.

**\*b0371/P1.1\* SECTION 1692c.** 77.994 (1) (em) of the statutes is created to read:  
77.994 (1) (em) 5499 — Miscellaneous food stores.

**\*b0371/P1.1\* SECTION 1692d.** 77.994 (1) (fa) of the statutes is created to read:  
77.994 (1) (fa) 5611 — Men's and boys' clothing and accessory stores.

**\*b0371/P1.1\* SECTION 1692e.** 77.994 (1) (fb) of the statutes is created to read:  
77.994 (1) (fb) 5621 — Women's clothing stores.

**\*b0371/P1.1\* SECTION 1692f.** 77.994 (1) (fc) of the statutes is created to read:  
77.994 (1) (fc) 5632 — Women's accessory and specialty stores.

**\*b0371/P1.1\* SECTION 1692g.** 77.994 (1) (fd) of the statutes is created to read:  
77.994 (1) (fd) 5641 — Children's and infants' wear stores.

**\*b0371/P1.1\* SECTION 1692h.** 77.994 (1) (fe) of the statutes is created to read:  
77.994 (1) (fe) 5651 — Family clothing stores.

**\*b0371/P1.1\* SECTION 1692i.** 77.994 (1) (ff) of the statutes is created to read:  
77.994 (1) (ff) 5661 — Shoe stores.

**\*b0371/P1.1\* SECTION 1692j.** 77.994 (1) (fg) of the statutes is created to read:  
77.994 (1) (fg) 5699 — Miscellaneous apparel and accessory stores.

**\*b0371/P1.1\* SECTION 1692k.** 77.994 (1) (ka) of the statutes is created to read:  
77.994 (1) (ka) 5942 — Bookstores.

**\*b0371/P1.1\* SECTION 1692L.** 77.994 (1) (kb) of the statutes is created to read:  
77.994 (1) (kb) 5943 — Stationery stores.

**\*b0371/P1.1\* SECTION 1692m.** 77.994 (1) (kc) of the statutes is created to read:  
77.994 (1) (kc) 5944 — Jewelry stores.

**\*b0371/P1.1\* SECTION 1692n.** 77.994 (1) (kd) of the statutes is created to read:  
77.994 (1) (kd) 5945 — Hobby, toy, and game shops.

**\*b0371/P1.1\* SECTION 1692o.** 77.994 (1) (ma) of the statutes is created to read:  
77.994 (1) (ma) 5948 — Luggage and leather goods stores.

**\*b0371/P1.1\* SECTION 1692p.** 77.994 (1) (mb) of the statutes is created to read:  
77.994 (1) (mb) 5949 — Sewing, needlework, and piece goods stores.

**\*b0371/P1.1\* SECTION 1692q.** 77.994 (1) (mc) of the statutes is created to read:  
77.994 (1) (mc) 5992 — Florists.

**\*b0371/P1.1\* SECTION 1692r.** 77.994 (1) (md) of the statutes is created to read:  
77.994 (1) (md) 5993 — Tobacco stores and stands.

**\*b0371/P1.1\* SECTION 1692s.** 77.994 (1) (me) of the statutes is created to read:  
77.994 (1) (me) 5994 — News dealers and newsstands.

**\*b0371/P1.1\* SECTION 1692t.** 77.994 (1) (mf) of the statutes is created to read:  
77.994 (1) (mf) 5999 — Miscellaneous retail stores.

**\*b0371/P1.1\* SECTION 1692u.** 77.994 (1) (pa) of the statutes is created to read:  
77.994 (1) (pa) 7922 — Theatrical producers (except motion picture) and  
miscellaneous theatrical services.

**\*b0371/P1.1\* SECTION 1692v.** 77.994 (1) (pb) of the statutes is created to read:

77.994 (1) (pb) 7929 — Bands, orchestras, actors, and other entertainers and entertainment groups.

**\*b0371/P1.1\* SECTION 1692w.** 77.994 (1) (qa) of the statutes is created to read:

77.994 (1) (qa) 7991 — Physical fitness facilities.

**\*b0371/P1.1\* SECTION 1692x.** 77.994 (1) (ta) of the statutes is created to read:

77.994 (1) (ta) 7997 — Membership sports and recreation clubs.

**\*-1046/P1.1\* SECTION 1694.** 77.995 (2) of the statutes is amended to read:

77.995 (2) There is imposed a fee at the rate of ~~3%, or 5%~~ for the rental of limousines, of the gross receipts on the rental, but not for rental and not for rental as a service or repair replacement vehicle of Type 1 automobiles, as defined in s. 340.01 (4) (a); of mobile homes, as defined in s. 340.01 (29); of motor homes, as defined in s. 340.01 (33m); and of camping trailers, as defined in s. 340.01 (6m) by establishments primarily engaged in short-term rental of vehicles without drivers, for a period of 30 days or less, unless the sale is exempt from the sales tax under s. 77.54 (1), (4), (7) (a), (7m) or (9a). There is also imposed a fee at the rate of 5% of the gross receipts on the rental of limousines.

**\*b0378/5.5\* SECTION 1697m.** Subchapter XIII of chapter 77 [precedes 77.9971] of the statutes is created to read:

## CHAPTER 77

### SUBCHAPTER XIII

#### REGIONAL TRANSIT

##### AUTHORITY FEE

**77.9971 Imposition.** A regional transit authority under s. 59.58 (6) may impose a fee at a rate not to exceed \$2 for each transaction in the region, as defined in s. 59.58 (6) (a) 2., on the rental, but not for rental and not for rental as a service

or repair replacement vehicle, of Type 1 automobiles, as defined in s. 340.01 (4) (a), by establishments primarily engaged in short-term rental of passenger cars without drivers, for a period of 30 days or less, unless the sale is exempt from the sales tax under s. 77.54 (1), (4), (7) (a), (7m), (9), or (9a). The fee imposed under this subchapter shall be effective on the first day of the first month that begins at least 90 days after the governing body of the regional transit authority approves the imposition of the fee and notifies the department of revenue. The governing body shall notify the department of a repeal of the fee imposed under this subchapter at least 60 days before the effective date of the repeal.

**77.9972 Administration.** (1) The department of revenue shall administer the fee under this subchapter and may take any action, conduct any proceeding, and impose interest and penalties.

(2) Sections 77.51 (4) (a), (b) 1., 2., and 4., (c) 1. to 3. and (d) and (14) (a) to (f), (j), and (k), 77.52 (4), (6), (13), (14), and (18), 77.58 (1) to (5) and (7), 77.59, 77.60, 77.61 (2), (5), (8), (9), and (12) to (14), and 77.62, as they apply to the taxes under subch. III, apply to the fee under this subchapter. Sections 77.72 (1) and (2) (a) and 77.73, as they apply to the taxes under subch. V, apply to the fee under this subchapter. The renter shall collect the fee under this subchapter from the person to whom the passenger car is rented.

(3) From the appropriation under s. 20.835 (4) (gh), the department of revenue shall distribute 97.45% of the fees collected under this subchapter for each regional transit authority to that authority and shall indicate to the authority the fees reported by each fee payer in the authority's jurisdiction, no later than the end of the month following the end of the calendar quarter in which the amounts were collected. The fees distributed shall be increased or decreased to reflect subsequent refunds,

audit adjustments, and all other adjustments. Interest paid on refunds of the fee under this subchapter shall be paid from the appropriation under s. 20.835 (4) (gh) at the rate under s. 77.60 (1) (a). Any regional transit authority that receives a report along with a payment under this subsection is subject to the duties of confidentiality to which the department of revenue is subject under s. 77.61 (5).

(4) Persons who are subject to the fee under this subchapter shall register with the department of revenue. Any person who is required to register; including any person authorized to act on behalf of a corporation, partnership, or other person who is required to register; who fails to do so is guilty of a misdemeanor.

**77.9973 Discontinuation.** Retailers and the department of revenue may not collect fees under this subchapter for any regional transit authority after the calendar quarter during which the regional transit authority ceases to exist, except that the department may collect from retailers fees that accrued before that calendar quarter and interest and penalties that relate to those fees. If fees are collected, the authority may use the revenue for any lawful purpose.

\*-0302/4.63\* **SECTION 1698.** 78.005 (14) of the statutes is amended to read:

78.005 (14) “Supplier” includes a person who imports, or acquires immediately upon import, motor vehicle fuel by pipeline or marine vessel from a state, territory or possession of the United States or from a foreign country into a terminal and who is registered under 26 USC 4101 for tax-free transactions in gasoline. “Supplier” also includes a person who produces in this state; or imports into a terminal or bulk plant; or acquires immediately upon import by truck, railcar or barge into a terminal; alcohol or alcohol derivative substances. “Supplier” also includes a person who produces, manufactures or refines motor vehicle fuel in this state. “Supplier” also includes a person who acquires motor vehicle fuel pursuant to an industry terminal

exchange agreement or by a 2-party exchange under section 4105 of the Internal Revenue Code. “Supplier” does not include a retail dealer or wholesaler who merely blends alcohol with gasoline before the sale or distribution of the product. “Supplier” does not include a terminal operator who merely handles in a terminal motor vehicle fuel consigned to the terminal operator.

\*\*\*NOTE: This is reconciled s. 79.015. This SECTION has been affected by LRB-1231/4 and LRB-1229/3.

**\*b0370/3.6\* SECTION 1705b.** 79.04 (1) (intro.) of the statutes is amended to read:

79.04 (1) (intro.) Annually, except for production plants that begin operation after December 31, 2003, or begin operation as a repowered production plant after December 31, 2003, and except as provided in sub. (4m) and under s. 70.112 (4) (am), the department of administration, upon certification by the department of revenue, shall distribute to a municipality having within its boundaries a production plant, general structure, or substation, used by a light, heat, or power company assessed under s. 76.28 (2) or 76.29 (2), except property described in s. 66.0813 unless the production plant or substation is owned or operated by a local governmental unit located outside of the municipality, or by an electric cooperative assessed under ss. 76.07 and 76.48, respectively, or by a municipal electric company under s. 66.0825 the amount determined as follows:

**\*b0370/3.6\* SECTION 1705c.** 79.04 (1) (b) 1. of the statutes is amended to read:

79.04 (1) (b) 1. Beginning with the distribution under this subsection in 1991, and ending with the distribution under this subsection in 2006, the amount determined under par. (a) to value property used by a light, heat or power company in a municipality may not be less than the amount determined to value the property

for the distribution to the municipality under this subsection in 1990, subject to subds. 2., 3. and 4.

**\*b0370/3.6\* SECTION 1705d.** 79.04 (2) (a) of the statutes is amended to read:

79.04 (2) (a) Annually, except for production plants that begin operation after December 31, 2003, or begin operation as a repowered production plant after December 31, 2003, and except as provided in sub. (4m) and under s. 70.112 (4) (am), the department of administration, upon certification by the department of revenue, shall distribute from the shared revenue account or, for the distribution in 2003, from the appropriation under s. 20.835 (1) (t) to any county having within its boundaries a production plant, general structure, or substation, used by a light, heat or power company assessed under s. 76.28 (2) or 76.29 (2), except property described in s. 66.0813 unless the production plant or substation is owned or operated by a local governmental unit that is located outside of the municipality in which the production plant or substation is located, or by an electric cooperative assessed under ss. 76.07 and 76.48, respectively, or by a municipal electric company under s. 66.0825 an amount determined by multiplying by 6 mills in the case of property in a town and by 3 mills in the case of property in a city or village the first \$125,000,000 of the amount shown in the account, plus leased property, of each public utility except qualified wholesale electric companies, as defined in s. 76.28 (1) (gm), on December 31 of the preceding year for “production plant, exclusive of land,” “general structures,” and “substations,” in the case of light, heat and power companies, electric cooperatives or municipal electric companies, for all property within the municipality in accordance with the system of accounts established by the public service commission or rural electrification administration, less depreciation thereon as determined by the department of revenue and less the value of treatment plant

and pollution abatement equipment, as defined under s. 70.11 (21) (a), as determined by the department of revenue plus an amount from the shared revenue account or, for the distribution in 2003, from the appropriation under s. 20.835 (1) (t) determined by multiplying by 6 mills in the case of property in a town, and 3 mills in the case of property in a city or village, of the total original cost of production plant, general structures, and substations less depreciation, land and approved waste treatment facilities of each qualified wholesale electric company, as defined in s. 76.28 (1) (gm), as reported to the department of revenue of all property within the municipality. The total of amounts, as depreciated, from the accounts of all public utilities for the same production plant is also limited to not more than \$125,000,000. The amount distributable to a county under this subsection and sub. (6) in any year shall not exceed \$100 times the population of the county.

**\*b0370/3.6\* SECTION 1705e.** 79.04 (2) (am) 1. of the statutes is amended to read:

79.04 (2) (am) 1. Beginning with the distribution under this subsection in 1991, and ending with the distribution under this subsection in 2006, the amount determined under par. (a) to value property used by a light, heat or power company in a county may not be less than the amount determined to value the property for the distribution to the county under this subsection in 1990, subject to subds. 2. and 3.

**\*b0370/3.6\* SECTION 1705f.** 79.04 (4m) of the statutes is created to read:

79.04 (4m) Beginning with distributions in 2007, for production plants described under subs. (1) and (2), if in any year the payments to the municipality and county in which the production plant is located would be greater under subs. (6) and (7) (c) 1. based on the production plant's name-plate capacity than under sub. (1) or (2) based on the depreciated net book value of the production plant, the municipality

and county shall receive payments under subs. (6) and (7) (c) 1., rather than under sub. (1) or (2), beginning in that year and in each year thereafter.

**\*b0370/3.6\* SECTION 1705g.** 79.04 (6) (a) of the statutes is amended to read:

79.04 (6) (a) Annually, beginning in 2005, for production plants that begin operation after December 31, 2003, or begin operation as a repowered production plant after December 31, 2003, except as provided in sub. (4m), the department of administration, upon certification by the department of revenue, shall distribute payments from the public utility account, as determined under par. (b), to each municipality and county in which a production plant is located, if the production plant has a name-plate capacity of at least one megawatt and is used by a light, heat, or power company assessed under s. 76.28 (2) or 76.29 (2), except property described in s. 66.0813, unless the production plant is owned or operated by a local governmental unit located outside of the municipality; by a qualified wholesale electric company, as defined in s. 76.28 (1) (gm); by a wholesale merchant plant, as defined in s. 196.491 (1) (w); by an electric cooperative assessed under ss. 76.07 and 76.48, respectively; or by a municipal electric company under s. 66.0825.

\*\*\*\*NOTE: This is reconciled s. 79.02 (2) (b). This SECTION has been affected by LRB-1231/4 and LRB-1229/3.

**\*-1233/1.1\* SECTION 1706.** 79.043 (4) of the statutes is amended to read:

79.043 (4) Except as provided under s. 79.02 (3) (e), beginning in 2004 the total amount to be distributed each year to municipalities from the aid account is ~~\$703,102,200~~ \$702,483,300.

**\*-1456/5.1\* SECTION 1710.** 79.095 (4) of the statutes is amended to read:

79.095 (4) PAYMENT. The department shall calculate the payments due each taxing jurisdiction under this section by multiplying the full value as of the January

1 of the preceding year of the property that is exempt under s. 70.11 (39) and (39m) and that is located in the jurisdiction by the full-value gross tax rate of the jurisdiction for the preceding year. The department shall certify the amount of the payment due each taxing jurisdiction to the department of administration, which shall make the payments on or before the first Monday in May except that, beginning in 2007, the department of administration shall make the payments on or before the 4th Monday in July. For purposes of ch. 121, school districts shall treat the payments made in July under this subsection as if they had been received in the previous school year.

**\*-1886/2.9\* SECTION 1717.** 79.14 of the statutes is amended to read:

**79.14 School levy tax credit.** The appropriation under s. 20.835 (3) (b) is \$319,305,000 in 1994, 1995, and 1996 ~~and is;~~ \$469,305,000 beginning in 1997 and ending in 2006; and \$519,305,000 in 2007 and in each year thereafter.

**\*b0402/2.1\* SECTION 1718g.** 84.01 (30) (intro.) of the statutes is amended to read:

**84.01 (30) BUILD-OPERATE-LEASE OR TRANSFER AGREEMENTS.** (intro.) The department may enter into build-operate-lease or transfer agreements with private entities for the construction of transportation projects, including any projects to be financed under s. 84.59 for transportation administrative facilities under s. 84.01 (28) and, for projects that are not purchased by the state upon their completion, for the maintenance and operation of such projects. A project under this subsection may be constructed on state-owned land. An agreement under this subsection may not be entered into unless the department determines that the agreement advances the public interest, and the private entity has prior experience in design, construction, site development and environmental impact analysis and, for a project that is not