

1 *-1169/P2.6* SECTION 1898. 66.0603 (1m) (e) of the statutes is created to read:

2 66.0603 (1m) (e) Subject to s. 67.11 (2) with respect to funds on deposit in a debt
3 service fund for general obligation promissory notes issued under s. 67.12 (12), a
4 county having a population of 500,000 or more, or a person to whom the county has
5 delegated investment authority under sub. (5), may invest and reinvest in the same
6 manner as is authorized for investments and reinvestments under s. 881.01, any of
7 the following:

8 1. Moneys held in any stabilization fund established under s. 59.87 (3).

9 2. Moneys held in a fund or account, including any reserve fund, created in
10 connection with the issuance of appropriation bonds under s. 59.85 or general
11 obligation promissory notes under s. 67.12 (12) issued to provide funds for the
12 payment of all or a part of the county's unfunded prior service liability.

13 3. Moneys appropriated or held by the county to pay debt service on
14 appropriation bonds or general obligation promissory notes under s. 67.12 (12).

15 4. Moneys constituting proceeds of appropriation bonds or general obligation
16 promissory notes described in subd. 2. that are available for investment until they
17 are spent.

18 5. Moneys held in an employee retirement system of the county.

19 *-1169/P2.7* SECTION 1899. 66.0603 (5) of the statutes is created to read:

20 66.0603 (5) DELEGATION OF INVESTMENT AUTHORITY IN CONNECTION WITH PENSION
21 FINANCING IN POPULOUS COUNTIES. The governing board of a county having a
22 population of 500,000 or more may delegate investment authority over any of the
23 moneys described in sub. (1m) (e) to any of the following persons, which shall be
24 responsible for the general administration and proper operation of the county's

1 employee retirement system, subject to the board's finding that such person has
2 expertise in the field of investments:

3 (a) A public board that is organized for such purpose under county ordinances.

4 (b) A trustee, investment advisor, or investment banking or consulting firm.

5 ***-0728/6.4* SECTION 1900.** 66.0615 (1m) (f) 2. of the statutes is amended to
6 read:

7 66.0615 (1m) (f) 2. Sections 77.51 (12m), (14) (e), (f) and (j) and, (14g), (15a),
8 and (15b), 77.52 (3), (4), (6) and (13), (14), (18), and (19), 77.522, 77.58 (1) to (5), (6m),
9 and (7), 77.585, 77.59, 77.60, 77.61 (2), (3m), (5), (8), (9), and (12) to (14) (15), and
10 77.62, as they apply to the taxes under subch. III of ch. 77, apply to the tax described
11 under subd. 1.

12 ***-0444/P2.8* SECTION 1901.** 66.0902 of the statutes is created to read:

13 **66.0902 False claims. (1) DEFINITIONS.** In this section:

14 (a) "Local governmental unit" has the meaning given in s. 66.0131 (1) (a).

15 (b) "Public contract" means a contract for the construction, execution, repair,
16 remodeling, or improvement of a public work or building or for the furnishing of
17 supplies, equipment, material, or professional or contractual services of any kind.

18 (2) PRESENTATION OF FALSE CLAIMS. Whoever knowingly presents or causes to
19 be presented a false claim for payment under any public contract with a local
20 governmental unit shall forfeit not less than \$5,000 nor more than \$10,000, plus 3
21 times the amount of the damages that were sustained by the local governmental unit
22 or would have been sustained by the local governmental unit, whichever is greater,
23 as a result of the false claim.

24 ***-1261/5.694* *-1261/P3.523* SECTION 1902.** 66.1017 (1) (a) of the statutes
25 is amended to read:

SECTION 1902

1 66.1017 (1) (a) "Family day care home" means a dwelling licensed as a day care
2 center by the department of health and family services children and families under
3 s. 48.65 where care is provided for not more than 8 children.

4 ***-1607/1.1* SECTION 1903.** 66.1105 (6) (g) of the statutes is created to read:

5 66.1105 (6) (g) 1. After the date on which a tax incremental district created by
6 a 1st class city pays off the aggregate of all of its project costs, and notwithstanding
7 the time at which such a district would otherwise be required to terminate under sub.
8 (7), a 1st class city may extend the life of the district for not more than 12 months if
9 the city does all of the following:

10 a. The city enacts an ordinance extending the life of the district for a specified
11 number of months.

12 b. The city forwards a copy of the ordinance to the department of revenue,
13 notifying the department that it must continue to authorize the allocation of tax
14 increments to the district under par. (a).

15 2. If the department of revenue receives a notice described under subd. 1. b.,
16 it shall continue authorizing the allocation of tax increments to the district under
17 par. (a) during the district's life, as extended by the city, as if the district's costs had
18 not been paid off and without regard to whether any of the time periods specified in
19 par. (a) 2. to 8. would otherwise require terminating the allocation of such
20 increments.

21 3. If a city receives tax increments as described in subd. 2., the city may use up
22 to 75 percent of the increments received to benefit affordable housing in the city. The
23 remaining portion of the increments shall be used by the city to improve the city's
24 housing stock.

25 ***-1630/5.1* SECTION 1904.** 66.1113 (2) (a) of the statutes is amended to read:

1 66.1113 (2) (a) The governing body of a political subdivision, by a two-thirds
2 vote of the members of the governing body who are present when the vote is taken,
3 may enact an ordinance or adopt a resolution declaring itself or, in the case of par.
4 (i), a part of itself to be a premier resort area if, except as provided in pars. (e), (f),
5 (g), and (h), and (i), at least 40% of the equalized assessed value of the taxable
6 property within such political subdivision is used by tourism-related retailers.

7 ***-1630/5.2* SECTION 1905.** 66.1113 (2) (i) of the statutes is created to read:

8 66.1113 (2) (i) A 1st class city may enact an ordinance or adopt a resolution
9 declaring a specified part of itself to be a premier resort area under par. (a), even if
10 less than 40 percent of the equalized assessed value of the taxable property within
11 the specified area of the city is used by tourism-related retailers. A 1st class city that
12 acts under this paragraph and imposes the tax described under par. (b) may spend
13 the proceeds of the tax only for infrastructure expenses within the specified area.
14 An ordinance enacted or a resolution adopted under this paragraph may take effect
15 only if all of the following apply:

- 16 1. The territory in the specified area is contiguous.
- 17 2. The specified area does not exceed 4 square miles.
- 18 3. The territory in the specified area corresponds to 9-digit zip code areas, as
19 determined by the United States Postal Service.

20 ***-1638/1.1* SECTION 1906.** 66.1333 (5) (a) 3. of the statutes is amended to read:

21 66.1333 (5) (a) 3. Within the boundaries of the city, acquire by purchase, lease,
22 eminent domain, or otherwise, any real or personal property or any interest in the
23 property, together with any improvements on the property, necessary or incidental
24 to a redevelopment or urban renewal project; hold, improve, clear or prepare for
25 redevelopment or urban renewal any of the property; sell, lease, subdivide, retain or

1 make available the property for the city's use; mortgage or otherwise encumber or
2 dispose of any of the property or any interest in the property; enter into contracts
3 with redevelopers of property containing covenants, restrictions and conditions
4 regarding the use of the property in accordance with a redevelopment or urban
5 renewal plan, and other covenants, restrictions and conditions that the authority
6 considers necessary to prevent a recurrence of blighted areas or to effectuate the
7 purposes of this section; make any restrictions, conditions or covenants running with
8 the land and provide appropriate remedies for their breach; arrange or contract for
9 the furnishing of services, privileges, works or facilities for, or in connection with a
10 project; temporarily operate and maintain real property acquired by it in a project
11 area for or in connection with a project pending the disposition of the property for
12 uses and purposes that may be deemed desirable even though not in conformity with
13 the redevelopment plan for the area; within the boundaries of the city, enter into any
14 blighted property, or building or property in any project area, in order to make
15 inspections, surveys, appraisals, soundings or test borings, and obtain a court order
16 for this purpose if entry is denied or resisted; own and hold property and insure or
17 provide for the insurance of any real or personal property or any of its operations
18 against any risks or hazards, including paying premiums on any insurance; invest
19 any project funds held in reserves or sinking funds or the funds not required for
20 immediate disbursement in property or securities in which savings banks may
21 legally invest funds subject to their control; redeem its bonds issued under this
22 section at the redemption price established in the bonds or purchase the bonds at less
23 than redemption price, all bonds so redeemed or purchased to be canceled; develop,
24 test and report methods and techniques, and carry out demonstrations and other

1 activities, for the prevention and elimination of slums and blight; and disseminate
2 blight elimination, slum clearance and urban renewal information.

3 ***-1169/P2.8* SECTION 1907.** 67.01 (9) (intro.) of the statutes is amended to
4 read:

5 67.01 (9) (intro.) This chapter is not applicable to appropriation bonds issued
6 by a county under s. 59.85 and, except ss. 67.08 (1), 67.09 and 67.10, is not applicable:

7 ***-1169/P2.9* SECTION 1908.** 67.04 (5) (b) 4. of the statutes is amended to read:

8 67.04 (5) (b) 4. To pay unfunded prior service liability contributions under the
9 Wisconsin retirement system, or to pay unfunded prior service liability with respect
10 to an employee retirement system, if all of the net proceeds of the note will be used
11 to pay for such contributions or payments.

12 ***-1169/P2.10* SECTION 1909.** 67.045 (1) (g) of the statutes is created to read:

13 67.045 (1) (g) The debt is issued by a county having a population of 500,000 or
14 more to pay unfunded prior service liability with respect to an employee retirement
15 system.

16 ***-1169/P2.11* SECTION 1910.** 67.12 (12) (a) of the statutes is amended to read:

17 67.12 (12) (a) Any municipality may issue promissory notes as evidence of
18 indebtedness for any public purpose, as defined in s. 67.04 (1) (b), including but not
19 limited to paying any general and current municipal expense, and refunding any
20 municipal obligations, including interest on them. Each note, plus interest if any,
21 shall be repaid within 10 years after the original date of the note, except that notes
22 issued under this section for purposes of ss. 119.498, 145.245 (12m), 281.58, 281.59,
23 281.60, and 281.61, or issued to raise funds to pay a portion of the capital costs of a
24 metropolitan sewerage district, or issued by a county having a population of 500,000

SECTION 1910

1 or more to pay unfunded prior service liability with respect to an employee
2 retirement system shall be repaid within 20 years after the original date of the note.

3 ***-1508/3.6*** SECTION 1911. 69.12 (1) of the statutes is amended to read:

4 69.12 (1) If the state registrar cannot make an amendment to a vital record
5 under s. 69.11 and a person with a direct and tangible interest in the vital record
6 alleges that information on the vital record does not represent the actual facts in
7 effect at the time the record was filed, the person may petition the circuit court of the
8 county in which the event which is the subject of the vital record is alleged to have
9 occurred. The petition shall be accompanied by a certified copy of the original vital
10 record. If the court finds that the petitioner has established the actual facts of the
11 event in effect when the record was filed, the clerk of court shall report the court's
12 determination to the state registrar on a form prescribed by the state registrar, along
13 with the fee required under s. 69.22 (5) (a) 2 (b). Upon receipt of the report, the state
14 registrar shall, if information as to the cause of death on an original certificate of
15 death is changed or if information on a marriage certificate concerning the identity
16 of a parent of a party to a marriage is changed, act under sub. (4), or shall change the
17 record under s. 69.11 (5) and send a notice of the change to the local registrar who
18 shall make the change in the record filed in his or her office. This subsection does
19 not apply to a name change prohibited under s. 301.47.

20 ***-1508/3.7*** SECTION 1912. 69.13 (2) (d) of the statutes is amended to read:

21 69.13 (2) (d) The fee specified under s. 69.22 (5) (b) 1 (bg).

22 ***-1261/5.695*** ***-1267/P1.212*** SECTION 1913. 69.14 (1) (cm) of the statutes is
23 amended to read:

24 69.14 (1) (cm) *Information concerning paternity.* For a birth which occurs en
25 route to or at a hospital, the filing party shall give the mother a copy of the pamphlet

1 under s. 69.03 (14). If the child's parents are not married at the time of the child's
2 birth, the filing party shall give the mother a copy of the form prescribed by the state
3 registrar under s. 69.15 (3) (b) 3. The filing party shall ensure that trained,
4 designated hospital staff provide to the child's available parents oral information or
5 an audio or video presentation and written information about the form and the
6 significance and benefits of, and alternatives to, establishing paternity, before the
7 parents sign the form. The filing party shall also provide an opportunity to complete
8 the form and have the form notarized in the hospital. If the mother provides a
9 completed form to the filing party while she is a patient in the hospital and within
10 5 days after the birth, the filing party shall send the form directly to the state
11 registrar. The department of ~~workforce development~~ children and families shall pay
12 the filing party a financial incentive for correctly filing a form within 60 days after
13 the child's birth.

14 ***-1508/3.8* SECTION 1914.** 69.15 (3) (b) 1. of the statutes is amended to read:

15 69.15 (3) (b) 1. Except as provided under par. (c), if the state registrar receives
16 a statement acknowledging paternity on a form prescribed by the state registrar and
17 signed by both of the birth parents of a child determined to be a marital child under
18 s. 767.803, a certified copy of the parents' marriage certificate, and the fee required
19 under s. 69.22 (5) (b) ~~1~~, the state registrar shall insert the name of the husband from
20 the marriage certificate as the father if the name of the father was omitted on the
21 original birth certificate. The state registrar shall include on the form for the
22 acknowledgment the items in s. 767.813 (5g).

23 ***-1261/5.696* *-1267/P1.213* SECTION 1915.** 69.15 (3) (b) 3. of the statutes
24 is amended to read:

SECTION 1915

1 69.15 (3) (b) 3. Except as provided under par. (c), if the state registrar receives
2 a statement acknowledging paternity on a form prescribed by the state registrar and
3 signed by both parents, and by a parent or legal guardian of any parent who is under
4 the age of 18 years, along with the fee under s. 69.22, the state registrar shall insert
5 the name of the father under subd. 1. The state registrar shall mark the certificate
6 to show that the form is on file. The form shall be available to the department of
7 workforce development children and families or a county child support agency under
8 s. 59.53 (5) pursuant to the program responsibilities under s. 49.22 or to any other
9 person with a direct and tangible interest in the record. The state registrar shall
10 include on the form for the acknowledgment the information in s. 767.805 and the
11 items in s. 767.813 (5g).

12 ***-1261/5.697* *-1267/P1.214* SECTION 1916.** 69.20 (3) (f) of the statutes is
13 amended to read:

14 69.20 (3) (f) The state or a local registrar may disclose a social security number
15 on a vital record to the department of workforce development children and families
16 or a county child support agency under s. 59.53 (5) in response to a request under s.
17 49.22 (2m).

18 ***-1508/3.9* SECTION 1917.** 69.22 (1) (a) of the statutes is amended to read:

19 69.22 (1) (a) Except as provided under par. (c), ~~\$7~~ \$20 for issuing one certified
20 copy of a vital record and ~~\$3~~ \$20 for any additional certified copy of the same vital
21 record issued at the same time.

22 ***-1508/3.10* SECTION 1918.** 69.22 (1) (b) of the statutes is amended to read:

23 69.22 (1) (b) Except as provided under par. (c), \$20 for issuing an uncertified
24 copy of a vital record issued under s. 69.21 (2) (a) or (b) and \$20 for any additional
25 copy of the same vital record issued at the same time, or \$10 for verifying information

1 about the event submitted by a requester without issuance of a copy, \$7, and \$3 \$10
2 for any additional copy of the same vital record information issued at the same time.

3 ***-1508/3.11*** SECTION 1919. 69.22 (1) (c) of the statutes is amended to read:
4 69.22 (1) (c) Twelve Twenty dollars for issuing an uncertified copy of a birth
5 certificate or a certified copy of a birth certificate, \$7 \$10 of which shall be forwarded
6 to the secretary of administration as provided in sub. (1m) and credited to the
7 appropriations under s. 20.433 (1) (g) and (h); and \$3 \$20 for issuing any additional
8 certified or uncertified copy of the same birth certificate issued at the same time.

9 ***-1508/3.12*** SECTION 1920. 69.22 (1) (cm) of the statutes is amended to read:
10 69.22 (1) (cm) Ten Twenty dollars for issuing one certified copy of a certificate
11 of birth resulting in stillbirth and \$3 \$20 for any additional certified copy of the same
12 certificate issued at the same time.

13 ***-1508/3.13*** SECTION 1921. 69.22 (1) (d) of the statutes is amended to read:
14 69.22 (1) (d) In addition to other fees under this subchapter, \$10 \$20 for
15 expedited service in issuing a vital record.

16 ***-1508/3.14*** SECTION 1922. 69.22 (2) of the statutes is amended to read:
17 69.22 (2) The state registrar and any local registrar may charge \$7 \$10 for a
18 search of vital records if the registrar finds no record. In addition to the \$7 \$10, a
19 registrar may charge a fee to cover the costs of a search of vital records if the
20 requester provides no identifying information or identifying information which is
21 imprecise or inadequate.

22 ***-1508/3.15*** SECTION 1923. 69.22 (3m) of the statutes is created to read:
23 69.22 (3m) (a) Except as provided in par. (b), a local registrar that collects a fee
24 under sub. (1) (a), (b), (c), or (cm) shall forward 60 percent of the increase in that fee,
25 as affected by 2007 Wisconsin Act (this act), over the corresponding fee amount

1 specified in s. 69.22 (1) (a), (b), (c), or (cm), 2005 stats., to the secretary of
2 administration, to be credited to the appropriation account under s. 20.435 (1) (gm).

3 (b) A local registrar that collects a fee for issuing a certified or uncertified copy
4 of a birth certificate under sub. (1) (c) shall forward to the secretary of
5 administration, to be credited to the appropriation account under s. 20.435 (1) (gm),
6 60 percent of the increase in that fee, as affected by 2007 Wisconsin Act ... (this act),
7 that remains after \$10 is forwarded to the secretary of administration as provided
8 in sub. (1m), over the corresponding fee amount specified in s. 69.22 (1) (c), 2005
9 stats., that remained after \$7 was forwarded to the secretary of administration as
10 provided in s. 69.22 (1m), 2005 stats.

11 ***-1508/3.16* SECTION 1924.** 69.22 (5) (a) of the statutes is repealed and
12 recreated to read:

13 69.22 (5) (a) Twenty dollars for making changes under s. 69.15 (3) (b) 3. or (4m).

14 ***-1508/3.17* SECTION 1925.** 69.22 (5) (b) of the statutes is repealed and
15 recreated to read:

16 69.22 (5) (b) Forty dollars for making a change under s. 69.11 (4), 69.12 (1), (3),
17 or (5), or 69.15 (3) (a) 3., (b) 1. or 2., or (4) (a).

18 ***-1508/3.18* SECTION 1926.** 69.22 (5) (bg) of the statutes is created to read:

19 69.22 (5) (bg) Forty dollars for impounding a vital record or creating or
20 registering a new vital record under s. 69.12 (4), 69.13, 69.14 (1) (h), or 69.15 (2), (3)
21 (a) 1. or 2., (3m), or (4) (b).

22 ***-1508/3.19* SECTION 1927.** 69.22 (5) (bj) of the statutes is created to read:

23 69.22 (5) (bj) Fifty dollars for the delayed filing of a vital record under s. 69.14
24 (2) (b) 5. or 6., 69.16 (2), or 69.19.

1 ***-1524/P3.85* SECTION 1928.** 69.30 (1) (am) of the statutes is renumbered
2 69.30 (1) (bd) and amended to read:

3 69.30 (1) (bd) "Family Long-term care district" has the meaning given in s.
4 46.2805 (5) (7r).

5 ***-1524/P3.86* SECTION 1929.** 69.30 (2) of the statutes is amended to read:

6 69.30 (2) A financial institution, state agency, county department, Wisconsin
7 works agency, service office or family long-term care district or an employee of a
8 financial institution, state agency, county department, Wisconsin works agency,
9 service office or family long-term care district is not subject to s. 69.24 (1) (a) for
10 copying a certified copy of a vital record for use by the financial institution, state
11 agency, county department, Wisconsin works agency, service office or family
12 long-term care district, including use under s. 45.04 (5), if the copy is marked "FOR
13 ADMINISTRATIVE USE".

14 ***-1524/P3.87* SECTION 1930.** 70.11 (2) of the statutes is amended to read:

15 70.11 (2) MUNICIPAL PROPERTY AND PROPERTY OF CERTAIN DISTRICTS, EXCEPTION.
16 Property owned by any county, city, village, town, school district, technical college
17 district, public inland lake protection and rehabilitation district, metropolitan
18 sewerage district, municipal water district created under s. 198.22, joint local water
19 authority created under s. 66.0823, family long-term care district under s. 46.2895
20 or town sanitary district; lands belonging to cities of any other state used for public
21 parks; land tax-deeded to any county or city before January 2; but any residence
22 located upon property owned by the county for park purposes that is rented out by
23 the county for a nonpark purpose shall not be exempt from taxation. Except as to
24 land acquired under s. 59.84 (2) (d), this exemption shall not apply to land conveyed
25 after August 17, 1961, to any such governmental unit or for its benefit while the

SECTION 1930

1 grantor or others for his or her benefit are permitted to occupy the land or part thereof
2 in consideration for the conveyance. Leasing the property exempt under this
3 subsection, regardless of the lessee and the use of the leasehold income, does not
4 render that property taxable.

5 ***-0418/P1.1* SECTION 1931.** 70.11 (9m) of the statutes is created to read:

6 **70.11 (9m) VETERANS SERVICE ORGANIZATIONS.** Real property owned by a
7 veterans service organization that is chartered under federal law, if the property is
8 necessary for the location and convenience of buildings.

9 ***-1272/5.28* SECTION 1932.** 70.11 (41p) of the statutes is created to read:

10 **70.11 (41p) HEALTHY WISCONSIN AUTHORITY.** All property owned by the Healthy
11 Wisconsin Authority, provided that use of the property is primarily related to the
12 purposes of the authority.

13 ***-0728/6.5* SECTION 1933.** 70.111 (23) of the statutes is amended to read:

14 **70.111 (23) VENDING MACHINES.** All machines that automatically dispense soda
15 water beverages, as defined in s. 97.29 (1) (i), and items included as a food or beverage
16 under s. 77.54 (20) (a) and (b) food and food ingredient, as defined in s. 77.51 (3t),
17 upon the deposit in the machines of specified coins or currency, or insertion of a credit
18 card, in payment for the ~~soda water beverages, food or beverages~~ food and food
19 ingredient, as defined in s. 77.51 (3t).

20 ***-1195/3.1* SECTION 1934.** 71.01 (6) (L) of the statutes is repealed.

21 ***-1195/3.2* SECTION 1935.** 71.01 (6) (m) of the statutes is repealed.

22 ***-1195/3.3* SECTION 1936.** 71.01 (6) (n) of the statutes is amended to read:

23 **71.01 (6) (n)** For taxable years that begin after December 31, 1998, and before
24 January 1, 2000, for natural persons and fiduciaries, except fiduciaries of nuclear
25 decommissioning trust or reserve funds, "Internal Revenue Code" means the federal

1 Internal Revenue Code as amended to December 31, 1998, excluding sections 103,
2 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203
3 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
4 104-188, and as amended by P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,
5 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding section 431
6 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101, 301 (a), and 406
7 of P.L. 107-147, P.L. 107-181, P.L. 107-276, P.L. 108-121, excluding section 109 of
8 P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and 403 (a)
9 of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336,
10 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-7, P.L. 109-135, excluding
11 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and
12 (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L.
13 109-280, and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L.
14 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280, P.L. 101-508, P.L.
15 102-90, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.
16 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),
17 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.
18 104-7, P.L. 104-117, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
19 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
20 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.
21 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16,
22 excluding section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections
23 101, 301 (a), and 406 of P.L. 107-147, P.L. 107-181, P.L. 107-276, P.L. 108-121,
24 excluding section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308,
25 316, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201,

SECTION 1936

1 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-7, P.L.
2 109-135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402
3 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding sections
4 811 and 844 of P.L. 109-280. The Internal Revenue Code applies for Wisconsin
5 purposes at the same time as for federal purposes. Amendments to the federal
6 Internal Revenue Code enacted after December 31, 1998, do not apply to this
7 paragraph with respect to taxable years beginning after December 31, 1998, and
8 before January 1, 2000, except that changes to the Internal Revenue Code made by
9 P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and
10 165 of P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134,
11 P.L. 107-147, excluding sections 101, 301 (a), and 406 of P.L. 107-147, P.L. 107-181,
12 P.L. 107-276, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311,
13 excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, and P.L.
14 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910
15 of P.L. 108-357, P.L. 109-7, P.L. 109-135, excluding sections 101, 105, 201 (a) as it
16 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and
17 P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and changes that
18 indirectly affect the provisions applicable to this subchapter made by P.L. 106-36,
19 P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L.
20 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.
21 107-147, excluding sections 101, 301 (a), and 406 of P.L. 107-147, P.L. 107-181, P.L.
22 107-276, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311,
23 excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, and P.L.
24 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910
25 of P.L. 108-357, P.L. 109-7, P.L. 109-135, excluding sections 101, 105, 201 (a) as it

1 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and
2 P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, apply for Wisconsin
3 purposes at the same time as for federal purposes.

4 ***-1195/3.4* SECTION 1937.** 71.01 (6) (o) of the statutes is amended to read:

5 71.01 (6) (o) For taxable years that begin after December 31, 1999, and before
6 January 1, 2003, for natural persons and fiduciaries, except fiduciaries of nuclear
7 decommissioning trust or reserve funds, "Internal Revenue Code" means the federal
8 Internal Revenue Code as amended to December 31, 1999, excluding sections 103,
9 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203
10 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
11 104-188, and as amended by P.L. 106-230, P.L. 106-554, excluding sections 162 and
12 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16,
13 P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101, 301
14 (a), and 406 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358,
15 P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121,
16 excluding section 109 of P.L. 108-121, P.L. 108-218, P.L. 108-311, excluding sections
17 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding
18 sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L.
19 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
20 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-135, excluding sections
21 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405
22 of P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280
23 and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73,
24 P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280, P.L. 101-508, P.L. 102-90,
25 P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.

SECTION 1937

1 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and
2 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L.
3 104-117, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605
4 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.
5 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.
6 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,
7 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.
8 107-147, excluding sections 101, 301 (a), and 406 of P.L. 107-147, P.L. 107-181, P.L.
9 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and
10 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-218,
11 108-311, excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, and
12 P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and
13 910 of P.L. 108-357, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309,
14 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L.
15 109-135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402
16 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding sections
17 811 and 844 of P.L. 109-280. The Internal Revenue Code applies for Wisconsin
18 purposes at the same time as for federal purposes. Amendments to the federal
19 Internal Revenue Code enacted after December 31, 1999, do not apply to this
20 paragraph with respect to taxable years beginning after December 31, 1999, and
21 before January 1, 2003, except that changes to the Internal Revenue Code made by
22 P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L.
23 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116,
24 P.L. 107-134, P.L. 107-147, excluding sections 101, 301 (a), and 406 of P.L. 107-147,
25 P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding

1 sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L.
2 108-121, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and
3 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 211, 242, 244,
4 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-7, P.L. 109-58, excluding
5 sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351
6 of P.L. 109-58, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to
7 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and P.L.
8 109-280, excluding sections 811 and 844 of P.L. 109-280, and changes that indirectly
9 affect the provisions applicable to this subchapter made by P.L. 106-230, P.L.
10 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,
11 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.
12 107-147, excluding sections 101, 301 (a), and 406 of P.L. 107-147, P.L. 107-181, P.L.
13 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and
14 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-218,
15 P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311,
16 and P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909,
17 and 910 of P.L. 108-357, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308,
18 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L.
19 109-135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402
20 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding sections
21 811 and 844 of P.L. 109-280, apply for Wisconsin purposes at the same time as for
22 federal purposes.

23 *-1195/3.5* SECTION 1938. 71.01 (6) (p) of the statutes is amended to read:

24 71.01 (6) (p) For taxable years that begin after December 31, 2002, and before
25 January 1, 2004, for natural persons and fiduciaries, except fiduciaries of nuclear

1 decommissioning trust or reserve funds, "Internal Revenue Code" means the federal
2 Internal Revenue Code as amended to December 31, 2002, excluding sections 103,
3 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203
4 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
5 104-188, P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section
6 431 of P.L. 107-16, and ~~section~~ sections 101 and 301 (a) of P.L. 107-147, and as
7 amended by P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.
8 108-121, excluding section 109 of P.L. 108-121, P.L. 108-173, excluding section 1201
9 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,
10 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101,
11 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, and P.L. 108-375,
12 P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
13 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-135, excluding sections
14 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405
15 of P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280,
16 and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73,
17 P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280, P.L. 101-508, P.L. 102-90,
18 P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.
19 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and
20 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L.
21 104-117, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605
22 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.
23 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.
24 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,
25 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.

1 107-147, excluding ~~section~~ sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181,
2 P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201,
3 and 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L.
4 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L.
5 108-311, excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L.
6 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910
7 of P.L. 108-357, and P.L. 108-375, P.L. 109-7, P.L. 109-58, excluding sections 1305,
8 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58,
9 P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a),
10 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding
11 sections 811 and 844 of P.L. 109-280. The Internal Revenue Code applies for
12 Wisconsin purposes at the same time as for federal purposes. Amendments to the
13 federal Internal Revenue Code enacted after December 31, 2002, do not apply to this
14 paragraph with respect to taxable years beginning after December 31, 2002, and
15 before January 1, 2004, except that changes to the Internal Revenue Code made by
16 P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121,
17 excluding section 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.
18 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308,
19 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211,
20 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, and P.L. 108-375, P.L.
21 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
22 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-135, excluding sections
23 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405
24 of P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280,
25 and changes that indirectly affect the provisions applicable to this subchapter made

SECTION 1938

1 by P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121,
2 excluding section 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.
3 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308,
4 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211,
5 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, and P.L. 108-375, P.L.
6 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
7 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-135, excluding sections
8 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405
9 of P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280,
10 apply for Wisconsin purposes at the same time as for federal purposes.

11 ***-1195/3.6* SECTION 1939.** 71.01 (6) (q) of the statutes is amended to read:

12 71.01 (6) (q) For taxable years that begin after December 31, 2003, and before
13 January 1, 2005, for natural persons and fiduciaries, except fiduciaries of nuclear
14 decommissioning trust or reserve funds, "Internal Revenue Code" means the federal
15 Internal Revenue Code as amended to December 31, 2003, excluding sections 103,
16 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203
17 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
18 104-188, P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section
19 431 of P.L. 107-16, section sections 101 and 301 (a) of P.L. 107-147, sections 106, 201,
20 and 202 of P.L. 108-27, section 109 of P.L. 108-121, and section 1201 of P.L. 108-173,
21 and as amended by P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,
22 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101,
23 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375,
24 and P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310,
25 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73,

1 excluding section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201
2 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L.
3 109-135, P.L. 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L.
4 109-280, and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L.
5 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280, P.L. 101-508, P.L.
6 102-90, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.
7 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),
8 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.
9 104-7, P.L. 104-117, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
10 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
11 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.
12 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15,
13 P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L.
14 107-134, P.L. 107-147, excluding section sections 101 and 301 (a) of P.L. 107-147,
15 P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding
16 sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L.
17 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L.
18 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L.
19 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847,
20 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, P.L. 109-7, P.L.
21 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
22 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301 of P.L.
23 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section
24 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-227, and P.L.
25 109-280, excluding sections 811 and 844 of P.L. 109-280. The Internal Revenue Code

1 applies for Wisconsin purposes at the same time as for federal purposes.
2 Amendments to the federal Internal Revenue Code enacted after December 31, 2003,
3 do not apply to this paragraph with respect to taxable years beginning after
4 December 31, 2003, and before January 1, 2005, except that changes to the Internal
5 Revenue Code made by P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections
6 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections
7 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L.
8 108-375, and P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308,
9 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L.
10 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101,
11 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of
12 P.L. 109-135, P.L. 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L.
13 109-280, and changes that indirectly affect the provisions applicable to this
14 subchapter made by P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections
15 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections
16 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L.
17 108-375, and P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308,
18 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L.
19 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101,
20 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of
21 P.L. 109-135, P.L. 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L.
22 109-280, apply for Wisconsin purposes at the same time as for federal purposes.

23 ***-1195/3.7* SECTION 1940.** 71.01 (6) (r) of the statutes is amended to read:

24 71.01 (6) (r) For taxable years that begin after December 31, 2004, and before
25 January 1, 2006, for natural persons and fiduciaries, except fiduciaries of nuclear

1 decommissioning trust or reserve funds, "Internal Revenue Code" means the federal
2 Internal Revenue Code as amended to December 31, 2004, excluding sections 103,
3 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203
4 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
5 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554,
6 P.L. 106-573, section 431 of P.L. 107-16, section sections 101 and 301 (a) of P.L.
7 107-147, sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173,
8 sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, and sections 101, 201, 211,
9 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, and as amended by P.L.
10 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
11 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301
12 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to
13 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151,
14 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.
15 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and as
16 indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.
17 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280, P.L. 101-508, P.L. 102-90, P.L.
18 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.
19 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and
20 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L.
21 104-117, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605
22 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.
23 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.
24 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,
25 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.

SECTION 1940

1 107-147, excluding section sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181,
2 P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201,
3 and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.
4 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 316,
5 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242,
6 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476,
7 P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
8 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301
9 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to
10 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151,
11 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.
12 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280. The
13 Internal Revenue Code applies for Wisconsin purposes at the same time as for federal
14 purposes. Amendments to the federal Internal Revenue Code enacted after
15 December 31, 2004, do not apply to this paragraph with respect to taxable years
16 beginning after December 31, 2004, and before January 1, 2006, except that changes
17 to the Internal Revenue Code made by P.L. 109-7, P.L. 109-58, excluding sections
18 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.
19 109-58, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding
20 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and
21 (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,
22 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280, excluding
23 sections 811 and 844 of P.L. 109-280, and changes that indirectly affect the
24 provisions applicable to this subchapter made by P.L. 109-7, P.L. 109-58, excluding
25 sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351

1 of P.L. 109-58, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135,
2 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),
3 (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections
4 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280,
5 excluding sections 811 and 844 of P.L. 109-280, apply for Wisconsin purposes at the
6 same time as for federal purposes.

7 ***-1195/3.8* SECTION 1941.** 71.01 (6) (s) of the statutes is created to read:

8 71.01 (6) (s) For taxable years that begin after December 31, 2005, and before
9 January 1, 2007, for natural persons and fiduciaries, except fiduciaries of nuclear
10 decommissioning trust or reserve funds, "Internal Revenue Code" means the federal
11 Internal Revenue Code as amended to December 31, 2005, excluding sections 103,
12 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203
13 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
14 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554,
15 P.L. 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147,
16 sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306,
17 308, 316, 401, and 403 (a) of P.L. 108-311, sections 101, 201, 211, 242, 244, 336, 337,
18 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310,
19 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of
20 P.L. 109-59, section 301 of P.L. 109-73, and sections 101, 105, 201 (a) as it relates
21 to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and as
22 amended by P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L.
23 109-222, P.L. 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L.
24 109-280, and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L.
25 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280, P.L. 101-508, P.L.

1 102-90, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.
2 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),
3 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.
4 104-7, P.L. 104-117, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
5 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
6 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.
7 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15,
8 P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L.
9 107-134, P.L. 107-147, excluding sections 101 and 301 (a) of P.L. 107-147, P.L.
10 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections
11 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201
12 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,
13 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201,
14 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L.
15 108-476, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323,
16 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding
17 section 11146 of P.L. 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L.
18 109-135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402
19 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding
20 sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L.
21 109-280, excluding sections 811 and 844 of P.L. 109-280. The Internal Revenue Code
22 applies for Wisconsin purposes at the same time as for federal purposes.
23 Amendments to the federal Internal Revenue Code enacted after December 31, 2005,
24 do not apply to this paragraph with respect to taxable years beginning after
25 December 31, 2005, and before January 1, 2007, except that changes to the Internal

1 Revenue Code made by P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and
2 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280, excluding sections 811 and 844
3 of P.L. 109-280, and changes that indirectly affect the provisions applicable to this
4 subchapter made by P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513
5 of P.L. 109-222, P.L. 109-227, and P.L. 109-280, excluding sections 811 and 844 of
6 P.L. 109-280, apply for Wisconsin purposes at the same time as for federal purposes.

7 ***-1195/3.9* SECTION 1942.** 71.01 (6) (t) of the statutes is created to read:

8 71.01 (6) (t) For taxable years that begin after December 31, 2006, for natural
9 persons and fiduciaries, except fiduciaries of nuclear decommissioning trust or
10 reserve funds, "Internal Revenue Code" means the federal Internal Revenue Code
11 as amended to December 31, 2006, excluding sections 103, 104, and 110 of P.L.
12 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,
13 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3,
14 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section
15 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and
16 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403
17 (a) of P.L. 108-311, sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910
18 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326,
19 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301
20 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403
21 (e), (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, 512, and 513 of
22 P.L. 109-222, sections 811 and 844 of P.L. 109-280, and P.L. 109-432, and as
23 indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.
24 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280, P.L. 101-508, P.L. 102-90, P.L.
25 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.

1 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and
2 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L.
3 104-117, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605
4 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.
5 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.
6 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,
7 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.
8 107-147, excluding sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L.
9 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and
10 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.
11 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 316,
12 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242,
13 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L.
14 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
15 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146
16 of P.L. 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135,
17 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),
18 (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections
19 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280,
20 excluding sections 811 and 844 of P.L. 109-280. The Internal Revenue Code applies
21 for Wisconsin purposes at the same time as for federal purposes. Amendments to the
22 federal Internal Revenue Code enacted after December 31, 2006, do not apply to this
23 paragraph with respect to taxable years beginning after December 31, 2006.

24 *-1195/3.10* SECTION 1943. 71.01 (7r) (c) of the statutes is created to read:

1 71.01 (7r) (c) Notwithstanding sub. (6), section 101 of P.L. 109-222, related to
2 extending the increased expense deduction under section 179 of the Internal
3 Revenue Code, applies to property used in farming that is acquired and placed in
4 service in taxable years beginning on or after January 1, 2008, and used by a person
5 who is actively engaged in farming. For purposes of this paragraph, "actively
6 engaged in farming" has the meaning given in 7 CFR 1400.201, and "farming" has
7 the meaning given in section 464 (e) (1) of the Internal Revenue Code.

8 *-0839/1.1* SECTION 1944. 71.02 (1) of the statutes is amended to read:

9 71.02 (1) For the purpose of raising revenue for the state and the counties,
10 cities, villages and towns, there shall be assessed, levied, collected and paid a tax on
11 all net incomes of individuals and fiduciaries, except fiduciaries of nuclear
12 decommissioning trust or reserve funds subject to the tax under s. 71.23 (2), by every
13 natural person residing within the state or by his or her personal representative in
14 case of death, and trusts resident within the state; by every nonresident natural
15 person and trust of this state, upon such income as is derived from property located
16 or business transacted within the state including, but not limited by enumeration,
17 income derived from a limited partner's distributive share of partnership income,
18 income derived from a limited liability company member's distributive share of
19 limited liability company income, income derived from a covenant not to compete to
20 the extent that the covenant was based on a Wisconsin-based activity, the state
21 lottery under ch. 565, any multijurisdictional lottery under ch. 565 if the winning
22 lottery ticket or lottery share was purchased from a retailer, as defined in s. 565.01
23 (6), located in this state or from the department, winnings from a casino or bingo hall
24 that is located in this state and that is operated by a Native American tribe or band
25 and pari-mutuel wager winnings or purses under ch. 562, and also by every

1 nonresident natural person upon such income as is derived from the performance of
2 personal services within the state, except as exempted under s. 71.05 (1) to (3). Every
3 natural person domiciled in the state shall be deemed to be residing within the state
4 for the purposes of determining liability for income taxes and surtaxes. A
5 single-owner entity that is disregarded as a separate entity under section 7701 of the
6 Internal Revenue Code is disregarded as a separate entity under this chapter, and
7 its owner is subject to the tax on the entity's income.

8 ***-0839/1.2* SECTION 1945.** 71.04 (1) (a) of the statutes is amended to read:

9 71.04 (1) (a) All income or loss of resident individuals and resident estates and
10 trusts shall follow the residence of the individual, estate or trust. Income or loss of
11 nonresident individuals and nonresident estates and trusts from business, not
12 requiring apportionment under sub. (4), (10) or (11), shall follow the situs of the
13 business from which derived, except that all income that is realized from the sale of
14 or purchase and subsequent sale or redemption of lottery prizes if the winning tickets
15 were originally bought in this state shall be allocated to this state. All items of
16 income, loss and deductions of nonresident individuals and nonresident estates and
17 trusts derived from a tax-option corporation not requiring apportionment under
18 sub. (9) shall follow the situs of the business of the corporation from which derived,
19 except that all income that is realized from the sale of or purchase and subsequent
20 sale or redemption of lottery prizes if the winning tickets were originally bought in
21 this state shall be allocated to this state. Income or loss of nonresident individuals
22 and nonresident estates and trusts derived from rentals and royalties from real
23 estate or tangible personal property, or from the operation of any farm, mine or
24 quarry, or from the sale of real property or tangible personal property shall follow the
25 situs of the property from which derived. Income from personal services of

1 nonresident individuals, including income from professions, shall follow the situs of
2 the services. A nonresident limited partner's distributive share of partnership
3 income shall follow the situs of the business, except that all income that is realized
4 from the sale of or purchase and subsequent sale or redemption of lottery prizes if
5 the winning tickets were originally bought in this state shall be allocated to this
6 state. A nonresident limited liability company member's distributive share of
7 limited liability company income shall follow the situs of the business, except that
8 all income that is realized from the sale of or purchase and subsequent sale or
9 redemption of lottery prizes if the winning tickets were originally bought in this state
10 shall be allocated to this state. Income of nonresident individuals, estates and trusts
11 from the state lottery under ch. 565 is taxable by this state. Income of nonresident
12 individuals, estates and trusts from any multijurisdictional lottery under ch. 565 is
13 taxable by this state, but only if the winning lottery ticket or lottery share was
14 purchased from a retailer, as defined in s. 565.01 (6), located in this state or from the
15 department. Income of nonresident individuals, nonresident trusts and nonresident
16 estates from pari-mutuel winnings or purses under ch. 562 is taxable by this state.
17 Income of nonresident individuals, estates and trusts from winnings from a casino
18 or bingo hall that is located in this state and that is operated by a Native American
19 tribe or band shall follow the situs of the casino or bingo hall. Income derived by a
20 nonresident individual from a covenant not to compete is taxable by this state to the
21 extent that the covenant was based on a Wisconsin-based activity. All other income
22 or loss of nonresident individuals and nonresident estates and trusts, including
23 income or loss derived from land contracts, mortgages, stocks, bonds and securities
24 or from the sale of similar intangible personal property, shall follow the residence of
25 such persons, except as provided in par. (b) and sub. (9), except that all income that

SECTION 1945

1 is realized from the sale of or purchase and subsequent sale or redemption of lottery
2 prizes if the winning tickets were originally bought in this state shall be allocated
3 to this state.

4 ***-1410/3.1* SECTION 1946.** 71.05 (6) (a) 15. of the statutes is amended to read:

5 71.05 (6) (a) 15. The amount of the credits computed under s. 71.07 (2dd), (2de),
6 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (3g), (3n), (3p), (3s), (3t), (3w), ~~(5b)~~, ~~(5d)~~,
7 ~~and (5e)~~, (5f), ~~and (5h)~~, (5i), and (5j) and not passed through by a partnership, limited
8 liability company, or tax-option corporation that has added that amount to the
9 partnership's, company's, or tax-option corporation's income under s. 71.21 (4) or
10 71.34 (1) (g).

****NOTE: This is reconciled s. 71.05 (6) (a) 15. This SECTION has been affected by
drafts with the following LRB numbers: 1410/2, 1502/1, 1822/1, and 0724/1.

11 ***-0791/2.1* SECTION 1947.** 71.05 (6) (a) 21. of the statutes is created to read:

12 71.05 (6) (a) 21. Any amount deducted as income attributable to domestic
13 production activities under section 199 of the Internal Revenue Code if the
14 individual claiming the deduction is a nonresident or part-year resident of this state
15 and if the domestic production activities income is not attributable to a trade or
16 business that is taxable by this state.

17 ***-0791/2.2* SECTION 1948.** 71.05 (6) (a) 22. of the statutes is created to read:

18 71.05 (6) (a) 22. If an individual is a nonresident or part-year resident of this
19 state and a portion of the amount the individual deducted as income attributable to
20 domestic production activities under section 199 of the Internal Revenue Code is
21 attributable to a trade or business that is taxable by this state, the amount deducted
22 under section 199 for federal income tax purposes and in excess of that amount,
23 multiplied by a fraction, the numerator of which is the individual's net earnings from

1 the trade or business that is taxable by this state and the denominator of which is
2 the individual's total net earnings from the trade or business to which the deduction
3 under section 199 of the Internal Revenue Code applies.

4 ***-0791/2.3* SECTION 1949.** 71.05 (6) (a) 23. of the statutes is created to read:

5 71.05 (6) (a) 23. Any amount deducted by an individual under section 62 (a) (19)
6 of the Internal Revenue Code related to attorney fees or court costs, involving an
7 unlawful discrimination claim, if the individual is a nonresident or part-year
8 resident of this state and if the judgment or settlement resulting from the claim is
9 not taxable by this state.

10 ***-1303/4.1* SECTION 1950.** 71.05 (6) (b) 28. (intro.) of the statutes is amended
11 to read:

12 71.05 (6) (b) 28. (intro.) An amount paid by a claimant for tuition expenses and
13 mandatory student fees for a student who is the claimant or who is the claimant's
14 child and the claimant's dependent who is claimed under section 151 (c) of the
15 Internal Revenue Code, to attend any university, college, technical college or a school
16 approved under s. 38.50, that is located in Wisconsin or to attend a public vocational
17 school or public institution of higher education in Minnesota under the
18 Minnesota-Wisconsin reciprocity agreement under s. 39.47, calculated as follows:

19 ***-1303/4.2* SECTION 1951.** 71.05 (6) (b) 28. a. of the statutes is amended to
20 read:

21 71.05 (6) (b) 28. a. An amount equal to one of the following per student for each
22 year to which the claim relates: for taxable years beginning before January 1, 2007,
23 not more than twice the average amount charged by the board of regents of the
24 University of Wisconsin System at 4-year institutions for resident undergraduate
25 academic fees for the most recent fall semester, as determined by the board of regents

1 by September 1 of that semester, ~~per student for each year to which the claim relates;~~
2 for taxable years beginning after December 31, 2006, \$6,000.

3 ***-1303/4.3* SECTION 1952.** 71.05 (6) (b) 28. h. of the statutes is amended to
4 read:

5 71.05 (6) (b) 28. h. No modification may be claimed under this subdivision for
6 an amount paid for tuition expenses and mandatory student fees, as described under
7 this subdivision, if the source of the payment is an amount withdrawn from a college
8 savings account, as described in s. 14.64 or from a college tuition and expenses
9 program, as described in s. 14.63, and if the claimant owner of the account has
10 claimed a deduction under subd. 32. or 33. that relates to such an amount.

****NOTE: This is reconciled s. 71.05 (6) (b) 28. h. This SECTION has been affected
by drafts with the following LRB numbers: 1303 and 0840.

11 ***-0759/3.1* SECTION 1953.** 71.05 (6) (b) 39. of the statutes is created to read:

12 71.05 (6) (b) 39. For taxable years beginning after December 31, 2007, and
13 before January 1, 2009, an amount paid by an individual who is the employee of
14 another person, if the individual's employer pays a portion of the cost of the
15 individual's medical care insurance, for medical care insurance for the individual, his
16 or her spouse, and the individual's dependents, calculated as follows:

17 a. Ten percent of the amount paid by the individual for medical care insurance.

18 In this subdivision, "medical care insurance" means a medical care insurance policy
19 that covers the individual, his or her spouse, and the individual's dependents and
20 provides surgical, medical, hospital, major medical, or other health service coverage,
21 and includes payments made for medical care benefits under a self-insured plan, but
22 "medical care insurance" does not include hospital indemnity policies or policies with

1 ancillary benefits such as accident benefits or benefits for loss of income resulting
2 from a total or partial inability to work because of illness, sickness, or injury.

3 b. From the amount calculated under subd. 39. a., subtract the amounts
4 deducted from gross income for medical care insurance in the calculation of federal
5 adjusted gross income.

6 c. For an individual who is a nonresident or part-year resident of this state,
7 multiply the amount calculated under subd. 39. a. or b., by a fraction the numerator
8 of which is the individual's wages, salary, tips, unearned income, and net earnings
9 from a trade or business that are taxable by this state and the denominator of which
10 is the individual's total wages, salary, tips, unearned income, and net earnings from
11 a trade or business. In this subd. 39. c., for married persons filing separately "wages,
12 salary, tips, unearned income, and net earnings from a trade or business" means the
13 separate wages, salary, tips, unearned income, and net earnings from a trade or
14 business of each spouse, and for married persons filing jointly "wages, salary, tips,
15 unearned income, and net earnings from a trade or business" means the total wages,
16 salary, tips, unearned income, and net earnings from a trade or business of both
17 spouses.

18 d. Reduce the amount calculated under subd. 39. a., b., or c. to the individual's
19 aggregate wages, salary, tips, unearned income, and net earnings from a trade or
20 business that are taxable by this state.

21 ***-0759/3.2* SECTION 1954.** 71.05 (6) (b) 40. of the statutes is created to read:

22 71.05 (6) (b) 40. For taxable years beginning after December 31, 2008, and
23 before January 1, 2010, an amount paid by an individual who is the employee of
24 another person, if the individual's employer pays a portion of the cost of the

1 individual's medical care insurance, for medical care insurance for the individual, his
2 or her spouse, and the individual's dependents, calculated as follows:

3 a. Twenty-five percent of the amount paid by the individual for medical care
4 insurance. In this subdivision, "medical care insurance" means a medical care
5 insurance policy that covers the individual, his or her spouse, and the individual's
6 dependents and provides surgical, medical, hospital, major medical, or other health
7 service coverage, and includes payments made for medical care benefits under a
8 self-insured plan, but "medical care insurance" does not include hospital indemnity
9 policies or policies with ancillary benefits such as accident benefits or benefits for loss
10 of income resulting from a total or partial inability to work because of illness,
11 sickness, or injury.

12 b. From the amount calculated under subd. 40. a., subtract the amounts
13 deducted from gross income for medical care insurance in the calculation of federal
14 adjusted gross income.

15 c. For an individual who is a nonresident or part-year resident of this state,
16 multiply the amount calculated under subd. 40. a. or b., by a fraction the numerator
17 of which is the individual's wages, salary, tips, unearned income, and net earnings
18 from a trade or business that are taxable by this state and the denominator of which
19 is the individual's total wages, salary, tips, unearned income, and net earnings from
20 a trade or business. In this subd. 40. c., for married persons filing separately "wages,
21 salary, tips, unearned income, and net earnings from a trade or business" means the
22 separate wages, salary, tips, unearned income, and net earnings from a trade or
23 business of each spouse, and for married persons filing jointly "wages, salary, tips,
24 unearned income, and net earnings from a trade or business" means the total wages,

1 salary, tips, unearned income, and net earnings from a trade or business of both
2 spouses.

3 d. Reduce the amount calculated under subd. 40. a., b., or c. to the individual's
4 aggregate wages, salary, tips, unearned income, and net earnings from a trade or
5 business that are taxable by this state.

6 ***-0759/3.3* SECTION 1955.** 71.05 (6) (b) 41. of the statutes is created to read:

7 71.05 (6) (b) 41. For taxable years beginning after December 31, 2009, and
8 before January 1, 2011, an amount paid by an individual who is the employee of
9 another person, if the individual's employer pays a portion of the cost of the
10 individual's medical care insurance, for medical care insurance for the individual, his
11 or her spouse, and the individual's dependents, calculated as follows:

12 a. Forty-five percent of the amount paid by the individual for medical care
13 insurance. In this subdivision, "medical care insurance" means a medical care
14 insurance policy that covers the individual, his or her spouse, and the individual's
15 dependents and provides surgical, medical, hospital, major medical, or other health
16 service coverage, and includes payments made for medical care benefits under a
17 self-insured plan, but "medical care insurance" does not include hospital indemnity
18 policies or policies with ancillary benefits such as accident benefits or benefits for loss
19 of income resulting from a total or partial inability to work because of illness,
20 sickness, or injury.

21 b. From the amount calculated under subd. 41. a., subtract the amounts
22 deducted from gross income for medical care insurance in the calculation of federal
23 adjusted gross income.

24 c. For an individual who is a nonresident or part-year resident of this state,
25 multiply the amount calculated under subd. 41. a. or b., by a fraction the numerator

1 of which is the individual's wages, salary, tips, unearned income, and net earnings
2 from a trade or business that are taxable by this state and the denominator of which
3 is the individual's total wages, salary, tips, unearned income, and net earnings from
4 a trade or business. In this subd. 41. c., for married persons filing separately "wages,
5 salary, tips, unearned income, and net earnings from a trade or business" means the
6 separate wages, salary, tips, unearned income, and net earnings from a trade or
7 business of each spouse, and for married persons filing jointly "wages, salary, tips,
8 unearned income, and net earnings from a trade or business" means the total wages,
9 salary, tips, unearned income, and net earnings from a trade or business of both
10 spouses.

11 d. Reduce the amount calculated under subd. 41. a., b., or c. to the individual's
12 aggregate wages, salary, tips, unearned income, and net earnings from a trade or
13 business that are taxable by this state.

14 ***-0759/3.4* SECTION 1956.** 71.05 (6) (b) 42. of the statutes is created to read:

15 71.05 (6) (b) 42. For taxable years beginning after December 31, 2010, an
16 amount paid by an individual who is the employee of another person, if the
17 individual's employer pays a portion of the cost of the individual's medical care
18 insurance, for medical care insurance for the individual, his or her spouse, and the
19 individual's dependents, calculated as follows:

20 a. One hundred percent of the amount paid by the individual for medical care
21 insurance. In this subdivision, "medical care insurance" means a medical care
22 insurance policy that covers the individual, his or her spouse, and the individual's
23 dependents and provides surgical, medical, hospital, major medical, or other health
24 service coverage, and includes payments made for medical care benefits under a
25 self-insured plan, but "medical care insurance" does not include hospital indemnity

1 policies or policies with ancillary benefits such as accident benefits or benefits for loss
2 of income resulting from a total or partial inability to work because of illness,
3 sickness, or injury.

4 b. From the amount calculated under subd. 42. a., subtract the amounts
5 deducted from gross income for medical care insurance in the calculation of federal
6 adjusted gross income.

7 c. For an individual who is a nonresident or part-year resident of this state,
8 multiply the amount calculated under subd. 42. a. or b., by a fraction the numerator
9 of which is the individual's wages, salary, tips, unearned income, and net earnings
10 from a trade or business that are taxable by this state and the denominator of which
11 is the individual's total wages, salary, tips, unearned income, and net earnings from
12 a trade or business. In this subd. 42. c., for married persons filing separately "wages,
13 salary, tips, unearned income, and net earnings from a trade or business" means the
14 separate wages, salary, tips, unearned income, and net earnings from a trade or
15 business of each spouse, and for married persons filing jointly "wages, salary, tips,
16 unearned income, and net earnings from a trade or business" means the total wages,
17 salary, tips, unearned income, and net earnings from a trade or business of both
18 spouses.

19 d. Reduce the amount calculated under subd. 42. a., b., or c. to the individual's
20 aggregate wages, salary, tips, unearned income, and net earnings from a trade or
21 business that are taxable by this state.

22 *-1301/5.1* SECTION 1957. 71.05 (6) (b) 43. of the statutes is created to read:

23 71.05 (6) (b) 43. Subject to subd. 43. e. and f., one of the following allowable
24 amounts, specified in subd. 43. a. to d., of employment-related expenses claimed by

1 the claimant under section 21 of the Internal Revenue Code in the taxable year to
2 which that claim relates:

3 a. For taxable years beginning after December 31, 2007, and before January
4 1, 2009, up to \$750 if the claimant has one qualified individual and up to \$1,500 if
5 the claimant has more than one qualified individual.

6 b. For taxable years beginning after December 31, 2008, and before January
7 1, 2010, up to \$1,500 if the claimant has one qualified individual and up to \$3,000
8 if the claimant has more than one qualified individual.

9 c. For taxable years beginning after December 31, 2009, and before January
10 1, 2011, up to \$2,250 if the claimant has one qualified individual and up to \$4,500
11 if the claimant has more than one qualified individual.

12 d. For taxable years beginning after December 31, 2010, up to \$3,000 if the
13 claimant has one qualified individual and up to \$6,000 if the claimant has more than
14 one qualified individual.

15 e. A claimant who claims the subtraction under this subdivision is subject to
16 the special rules in 26 USC 21 (e) (2) and (4).

17 f. An individual who is a nonresident or part-year resident of this state and who
18 claims the subtraction under this subdivision shall multiply the amount calculated
19 under subd. 43. a., b., c., or d. by a fraction the numerator of which is the individual's
20 wages, salary, tips, unearned income, and net earnings from a trade or business that
21 are taxable by this state and the denominator of which is the individual's total wages,
22 salary, tips, unearned income, and net earnings from a trade or business. In this
23 subd. 43. f., for married persons filing separately "wages, salary, tips, unearned
24 income, and net earnings from a trade or business" means the separate wages, salary,
25 tips, unearned income, and net earnings from a trade or business of each spouse, and

1 for married persons filing jointly "wages, salary, tips, unearned income, and net
2 earnings from a trade or business" means the total wages, salary, tips, unearned
3 income, and net earnings from a trade or business of both spouses.

4 ***-0486/1.5* SECTION 1958.** 71.07 (2dj) (am) 4h. of the statutes is amended to
5 read:

6 71.07 (2dj) (am) 4h. Modify section 51 (a) of the internal revenue code so that
7 the amount of the credit is 25% of the qualified first-year wages if the wages are paid
8 to an applicant for a Wisconsin works Works employment position for service either
9 in an unsubsidized position or in a trial job position under s. 49.147 (3) or (3m) and
10 so that the amount of the credit is 20% of the qualified first-year wages if the wages
11 are not paid to such an applicant.

12 ***-0486/1.6* SECTION 1959.** 71.07 (2dx) (a) 5. of the statutes is amended to read:

13 71.07 (2dx) (a) 5. "Member of a targeted group" means a person who resides
14 in an area designated by the federal government as an economic revitalization area,
15 a person who is employed in an unsubsidized job but meets the eligibility
16 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,
17 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work,
18 real pay project position under s. 49.147 (3m), a person who is eligible for child care
19 assistance under s. 49.155, a person who is a vocational rehabilitation referral, an
20 economically disadvantaged youth, an economically disadvantaged veteran, a
21 supplemental security income recipient, a general assistance recipient, an
22 economically disadvantaged ex-convict, a qualified summer youth employee, as
23 defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or
24 a food stamp recipient, if the person has been certified in the manner under sub. (2dj)
25 (am) 3. by a designated local agency, as defined in sub. (2dj) (am) 2.

1 *-0486/1.7* SECTION 1960. 71.07 (2dx) (b) 2. of the statutes is amended to read:

2 71.07 (2dx) (b) 2. The amount determined by multiplying the amount
3 determined under s. 560.785 (1) (b) by the number of full-time jobs created in a
4 development zone and filled by a member of a targeted group and by then subtracting
5 the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
6 under s. 49.147 (3m) (c) for those jobs.

7 *-0486/1.8* SECTION 1961. 71.07 (2dx) (b) 3. of the statutes is amended to read:

8 71.07 (2dx) (b) 3. The amount determined by multiplying the amount
9 determined under s. 560.785 (1) (c) by the number of full-time jobs created in a
10 development zone and not filled by a member of a targeted group and by then
11 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
12 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

13 *-0486/1.9* SECTION 1962. 71.07 (2dx) (b) 4. of the statutes is amended to read:

14 71.07 (2dx) (b) 4. The amount determined by multiplying the amount
15 determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as
16 provided in the rules under s. 560.785, excluding jobs for which a credit has been
17 claimed under sub. (2dj), in an enterprise development zone under s. 560.797 and for
18 which significant capital investment was made and by then subtracting the
19 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
20 under s. 49.147 (3m) (c) for those jobs.

21 *-0486/1.10* SECTION 1963. 71.07 (2dx) (b) 5. of the statutes is amended to
22 read:

23 71.07 (2dx) (b) 5. The amount determined by multiplying the amount
24 determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as
25 provided in the rules under s. 560.785, excluding jobs for which a credit has been

1 claimed under sub. (2dj), in a development zone and not filled by a member of a
2 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
3 the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

4 ***-1822/2.1* SECTION 1964.** 71.07 (3p) of the statutes is created to read:

5 **71.07 (3p) DAIRY MANUFACTURING FACILITY INVESTMENT CREDIT.** (a) *Definitions.*

6 In this subsection:

- 7 1. "Claimant" means a person who files a claim under this subsection.
- 8 2. "Dairy manufacturing" means processing milk into dairy products or
9 processing dairy products for sale commercially.
- 10 3. "Dairy manufacturing modernization or expansion" means constructing,
11 improving, or acquiring buildings or facilities, or acquiring equipment, for dairy
12 manufacturing, including the following, if used exclusively for dairy manufacturing
13 and if acquired and placed in service in this state during taxable years that begin
14 after December 31, 2006, and before January 1, 2015:
 - 15 a. Building construction, including storage and warehouse facilities.
 - 16 b. Building additions.
 - 17 c. Upgrades to utilities, including water, electric, heat, and waste facilities.
 - 18 d. Milk intake and storage equipment.
 - 19 e. Processing and manufacturing equipment, including pipes, motors, pumps,
20 valves, pasteurizers, homogenizers, vats, evaporators, dryers, concentrators, and
21 churns.
 - 22 f. Packaging and handling equipment, including sealing, bagging, boxing,
23 labeling, conveying, and product movement equipment.
 - 24 g. Warehouse equipment, including storage racks.

1 h. Waste treatment and waste management equipment, including tanks,
2 blowers, separators, dryers, digesters, and equipment that uses waste to produce
3 energy, fuel, or industrial products.

4 i. Computer software and hardware used for managing the claimant's dairy
5 manufacturing operation, including software and hardware related to logistics,
6 inventory management, and production plant controls.

7 4. "Used exclusively" means used to the exclusion of all other uses except for
8 use not exceeding 5 percent of total use.

9 (b) *Filing claims.* Subject to the limitations provided in this subsection, for
10 taxable years beginning after December 31, 2006, and before January 1, 2015, a
11 claimant may claim as a credit against the taxes imposed under s. 71.02, up to the
12 amount of the tax, an amount equal to 10 percent of the amount the claimant paid
13 in the taxable year for dairy manufacturing modernization or expansion related to
14 the claimant's dairy manufacturing operation.

15 (c) *Limitations.* 1. No credit may be allowed under this subsection for any
16 amount that the claimant paid for expenses described under par. (b) that the
17 claimant also claimed as a deduction under section 162 of the Internal Revenue Code.

18 2. The aggregate amount of credits that a claimant may claim under this
19 subsection is \$200,000.

20 3. Partnerships, limited liability companies, and tax-option corporations may
21 not claim the credit under this subsection, but the eligibility for, and the amount of,
22 the credit are based on their payment of expenses under par. (b), except that the
23 aggregate amount of credits that the entity may compute shall not exceed \$200,000.

24 A partnership, limited liability company, or tax-option corporation shall compute
25 the amount of credit that each of its partners, members, or shareholders may claim

1 and shall provide that information to each of them. Partners, members of limited
2 liability companies, and shareholders of tax-option corporations may claim the
3 credit in proportion to their ownership interest.

4 4. If 2 or more persons own and operate the dairy manufacturing operation,
5 each person may claim a credit under par. (b) in proportion to his or her ownership
6 interest, except that the aggregate amount of the credits claimed by all persons who
7 own and operate the farm shall not exceed \$200,000.

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

10 ***-0722/2.1* SECTION 1965.** 71.07 (3w) (a) 5m. of the statutes is created to read:

11 71.07 (3w) (a) 5m. "Wages" means wages under section 3306 (b) of the Internal
12 Revenue Code, determined without regard to any dollar limitations.

13 ***-0722/2.2* SECTION 1966.** 71.07 (3w) (a) 6. of the statutes is amended to read:

14 71.07 (3w) (a) 6. "Zone payroll" means the amount of state payroll that is
15 attributable to compensation wages paid to individuals full-time employees for
16 services that are performed in a an enterprise zone. "Zone payroll" does not include
17 the amount of compensation wages paid to any individuals full-time employees that
18 exceeds \$100,000.

19 ***-0722/2.3* SECTION 1967.** 71.07 (3w) (b) 1. a. of the statutes is amended to
20 read:

21 71.07 (3w) (b) 1. a. The claimant's zone payroll in the taxable year, minus the
22 claimant's zone payroll number of full-time employees whose annual wages are
23 greater than \$30,000 and who the claimant employed in the enterprise zone in the
24 taxable year, minus the number of full-time employees whose annual wages were

SECTION 1967

1 greater than \$30,000 and who the claimant employed in the area that comprises the
2 enterprise zone in the base year.

3 ***-0722/2.4*** SECTION 1968. 71.07 (3w) (b) 1. b. of the statutes is amended to
4 read:

5 71.07 (3w) (b) 1. b. The claimant's state payroll in the taxable year, minus the
6 claimant's state payroll number of full-time employees whose annual wages are
7 greater than \$30,000 and who the claimant employed in the state in the taxable year,
8 minus the number of full-time employees whose annual wages were greater than
9 \$30,000 and who the claimant employed in the state in the base year.

10 ***-0722/2.5*** SECTION 1969. 71.07 (3w) (b) 2. of the statutes is amended to read:

11 71.07 (3w) (b) 2. Subtract the number of Determine the claimant's average
12 zone payroll by dividing total wages for full-time employees that whose annual
13 wages are greater than \$30,000 and who the claimant employed in the area that
14 comprises the enterprise zone in the base taxable year from by the number of
15 full-time employees that whose annual wages are greater than \$30,000 and who the
16 claimant employed in the enterprise zone in the taxable year.

17 ***-0722/2.6*** SECTION 1970. 71.07 (3w) (b) 3. of the statutes is amended to read:

18 71.07 (3w) (b) 3. Multiply Subtract \$30,000 from the amount determined under
19 subd. 2., but not an amount less than zero, by \$30,000.

20 ***-0722/2.7*** SECTION 1971. 71.07 (3w) (b) 4. of the statutes is amended to read:

21 71.07 (3w) (b) 4. Subtract Multiply the amount determined under subd. 3. from
22 by the amount determined under subd. 1.

23 ***-0722/2.8*** SECTION 1972. 71.07 (3w) (bm) (intro.) and 4. of the statutes are
24 consolidated, renumbered 71.07 (3w) (bm) and amended to read:

1 71.07 (3w) (bm) *Filing supplemental claims.* In addition to the credit under
2 par. (b) and subject to the limitations provided in this subsection and s. 560.799, a
3 claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 an
4 amount equal to all of the following: 4. ~~The~~ the amount the claimant paid in the
5 taxable year to upgrade or improve the job-related skills of any of the claimant's
6 full-time employees, to train any of the claimant's full-time employees on the use
7 of job-related new technologies, or to ~~train~~ provide job-related training to any
8 full-time employee whose employment with the claimant represents the employee's
9 first full-time job. This subdivision does not apply to employees who do not work in
10 ~~a~~ an enterprise zone.

11 ***-0722/2.9*** SECTION 1973. 71.07 (3w) (bm) 3. of the statutes is repealed.

12 ***-0722/2.10*** SECTION 1974. 71.07 (3w) (d) of the statutes is amended to read:

13 71.07 (3w) (d) *Administration.* Section 71.28 (4) (g) and (h), as it applies to the
14 credit under s. 71.28 (4), applies to the credit under this subsection. Claimants shall
15 include with their returns a copy of their certification for tax benefits, and a copy of
16 the verification of their expenses, from the department of commerce.

17 ***-1361/4.1*** SECTION 1975. 71.07 (5b) (c) 1. of the statutes is amended to read:

18 71.07 (5b) (c) 1. The ~~Except as provided in s. 73.03 (63), the~~ maximum amount
19 of the credits that may be claimed under this subsection and ss. 71.28 (5b) and 71.47
20 (5b) for all taxable years combined is ~~\$35,000,000~~ \$52,500,000.

21 ***-0724/2.1*** SECTION 1976. 71.07 (5b) (d) of the statutes is renumbered 71.07

22 (5b) (d) 1.

23 ***-0724/2.2*** SECTION 1977. 71.07 (5b) (d) 2. of the statutes is created to read:

24 71.07 (5b) (d) 2. The Wisconsin adjusted basis of any investment for which a
25 credit is claimed under par. (b) shall be reduced by the amount of the credit that is

1 offset against Wisconsin income taxes. The Wisconsin basis of a partner's interest
2 in a partnership, a member's interest in a limited liability company, or stock in a
3 tax-option corporation shall be adjusted to reflect adjustments made under this
4 subdivision.

5 ***-1361/4.2* SECTION 1978.** 71.07 (5d) (c) 1. of the statutes is amended to read:

6 71.07 (5d) (c) 1. The Except as provided in s. 73.03 (63), the maximum amount
7 of the credits that may be claimed under this subsection for all taxable years
8 combined is \$30,000,000 \$47,500,000.

9 ***-1361/4.3* SECTION 1979.** 71.07 (5d) (c) 2. of the statutes is amended to read:

10 71.07 (5d) (c) 2. The maximum amount of a claimant's investment that may be
11 used as the basis for a credit under this subsection is \$500,000 \$2,000,000 for each
12 investment made directly in a business certified under s. 560.205 (1).

13 ***-0724/2.3* SECTION 1980.** 71.07 (5d) (d) 4. of the statutes is created to read:

14 71.07 (5d) (d) 4. The Wisconsin adjusted basis of any investment for which a
15 credit is claimed under par. (b) shall be reduced by the amount of the credit that is
16 offset against Wisconsin income taxes.

17 ***-0728/6.6* SECTION 1981.** 71.07 (5e) (b) of the statutes is amended to read:

18 71.07 (5e) (b) *Filing claims.* Subject to the limitations provided in this
19 subsection and subject to 2005 Wisconsin Act 479, section 17, beginning in the first
20 taxable year following the taxable year in which the claimant claims ~~an exemption~~
21 a deduction under s. ~~77.54 (48)~~ 77.585 (9), a claimant may claim as a credit against
22 the taxes imposed under ss. 71.02 and 71.08, up to the amount of those taxes, in each
23 taxable year for 2 years, the amount certified by the department of commerce that
24 the claimant claimed as ~~an exemption~~ a deduction under s. ~~77.54 (48)~~ 77.585 (9).

25 ***-0728/6.7* SECTION 1982.** 71.07 (5e) (c) 1. of the statutes is amended to read:

1 71.07 (5e) (c) 1. No credit may be allowed under this subsection unless the
2 claimant satisfies the requirements under s. ~~77.54 (48)~~ 77.585 (9).

3 ***-0728/6.8* SECTION 1983.** 71.07 (5e) (c) 3. of the statutes is amended to read:

4 71.07 (5e) (c) 3. The total amount of the credits and exemptions deductions that
5 may be claimed by all claimants under this subsection and ss. 71.28 (5e), 71.47 (5e),
6 and ~~77.54 (48)~~ 77.585 (9) is \$7,500,000, as determined by the department of
7 commerce.

8 ***-0720/1.1* SECTION 1984.** 71.07 (5h) (a) 4. of the statutes is amended to read:

9 71.07 (5h) (a) 4. "Previously owned property" means real property that the
10 claimant or a related person owned during the 2 years prior to doing business in this
11 state as a film production company and for which the claimant may not deduct a loss
12 from the sale of the property to, or an exchange of the property with, the related
13 person under section 267 of the Internal Revenue Code, except that section 267 of the
14 Internal Revenue Code is modified so that if the claimant owns any part of the
15 property, rather than 50 percent ownership, the claimant is subject to section 267 of
16 the Internal Revenue Code for purposes of this subsection.

17 ***-0720/1.2* SECTION 1985.** 71.07 (5h) (c) 2. of the statutes is amended to read:

18 71.07 (5h) (c) 2. A claimant may claim the credit under par. (b) 2. for an amount
19 expended to construct, rehabilitate, remodel, or repair real property, if the claimant
20 began the physical work of construction, rehabilitation, remodeling, or repair, or any
21 demolition or destruction in preparation for the physical work, after December 31,
22 2007, ~~or if~~ and the completed project is placed in service after December 31, 2007.

23 ***-0720/1.3* SECTION 1986.** 71.07 (5h) (c) 3. of the statutes is amended to read:

24 71.07 (5h) (c) 3. A claimant may claim the credit under par. (b) 2. for an amount
25 expended to acquire real property, if the property is not previously owned property

1 and if the claimant acquires the property after December 31, 2007, ~~or if~~ and the
2 completed project is placed in service after December 31, 2007.

3 ***-1502/2.1* SECTION 1987.** 71.07 (5i) of the statutes is created to read:

4 71.07 (5i) ELECTRONIC MEDICAL RECORDS CREDIT. (a) *Definitions.* In this
5 subsection, "claimant" means a person who files a claim under this subsection.

6 (b) *Filing claims.* Subject to the limitations provided in this subsection, for
7 taxable years beginning after December 31, 2008, a claimant may claim as a credit
8 against the taxes imposed under s. 71.02 or 71.08, up to the amount of those taxes,
9 an amount equal to 50 percent of the amount the claimant paid in the taxable year
10 for information technology hardware or software that is used to maintain medical
11 records in electronic form, if the claimant is a health care provider, as defined in s.
12 146.81 (1).

13 (c) *Limitations.* 1. The maximum amount of the credits that may be claimed
14 under this subsection and ss. 71.28 (5i) and 71.47 (5i) in a taxable year is
15 \$10,000,000, as allocated under s. 560.204.

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

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