

21

1 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and
2 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
3 104-188, P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section
4 431 of P.L. 107-16, and section sections 101 and 301 (a) of P.L. 107-147, and as
5 amended by P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.
6 108-121, excluding section 109 of P.L. 108-121, P.L. 108-173, excluding section 1201
7 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,
8 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101,
9 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, and P.L. 108-375,
10 P.L. 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. 109-135, excluding sections
12 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405
13 of P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280,
14 and as indirectly affected in the provisions applicable to this subchapter by P.L.
15 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812
16 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.
17 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, 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.
21 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
22 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.
23 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,
24 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding
25 section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147,

1 excluding ~~section~~ sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L.
2 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and
3 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-173,
4 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,
5 excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,
6 excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.
7 108-357, and P.L. 108-375, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308,
8 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L.
9 109-135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402
10 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding sections
11 811 and 844 of P.L. 109-280, except that section 1366 (f) (relating to pass-through
12 of items to shareholders) is modified by substituting the tax under s. 71.35 for the
13 taxes under sections 1374 and 1375. The Internal Revenue Code applies for
14 Wisconsin purposes at the same time as for federal purposes. Amendments to the
15 federal Internal Revenue Code enacted after December 31, 2002, do not apply to this
16 paragraph with respect to taxable years beginning after December 31, 2002, and
17 before January 1, 2004, except that changes to the Internal Revenue Code made by
18 P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121,
19 excluding section 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.
20 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308,
21 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211,
22 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, and P.L. 108-375, P.L.
23 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
24 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-135, excluding sections
25 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405

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

13 **SECTION 2072.** 71.34 (1g) (q) of the statutes is amended to read:

14 71.34 (1g) (q) "Internal Revenue Code" for tax-option corporations, for taxable
15 years that begin after December 31, 2003, and before January 1, 2005, means the
16 federal Internal Revenue Code as amended to December 31, 2003, excluding sections
17 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and
18 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
19 104-188, P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section
20 431 of P.L. 107-16, section sections 101 and 301 (a) of P.L. 107-147, sections 106, 201,
21 and 202 of P.L. 108-27, section 109 of P.L. 108-121, and section 1201 of P.L. 108-173,
22 and as amended by P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,
23 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101,
24 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375,
25 and P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310,

1 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73,
2 excluding section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201
3 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L.
4 109-135, P.L. 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L.
5 109-280, and as indirectly affected in the provisions applicable to this subchapter
6 by P.L. 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d)
7 (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.
8 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.
9 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.
10 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and
11 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.
12 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
13 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.
14 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,
15 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding
16 section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147,
17 excluding section sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L.
18 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and
19 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-173,
20 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,
21 excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,
22 excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.
23 108-357, P.L. 108-375, and P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections
24 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.
25 109-58, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding

1 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and
2 (q), and 405 of P.L. 109-135, P.L. 109-227, and P.L. 109-280, excluding sections 811
3 and 844 of P.L. 109-280, except that section 1366 (f) (relating to pass-through of
4 items to shareholders) is modified by substituting the tax under s. 71.35 for the taxes
5 under sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin
6 purposes at the same time as for federal purposes. Amendments to the federal
7 Internal Revenue Code enacted after December 31, 2003, do not apply to this
8 paragraph with respect to taxable years beginning after December 31, 2003, and
9 before January 1, 2005, except that changes to the Internal Revenue Code made by
10 P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401,
11 and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244,
12 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, P.L.
13 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
14 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301
15 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to
16 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-227,
17 and 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. 108-203,
19 P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and 403 (a)
20 of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337,
21 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, P.L. 109-7,
22 P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
23 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301 of P.L.
24 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section
25 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L.

SECTION 2072

1 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, apply for
2 Wisconsin purposes at the same time as for federal purposes.

3 **SECTION 2073.** 71.34 (1g) (r) of the statutes is amended to read:

4 71.34 (1g) (r) "Internal Revenue Code" for tax-option corporations, for taxable
5 years that begin after December 31, 2004, and before January 1, 2006, means the
6 federal Internal Revenue Code as amended to December 31, 2004, excluding sections
7 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and
8 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
9 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554,
10 P.L. 106-573, section 431 of P.L. 107-16, section sections 101 and 301 (a) of P.L.
11 107-147, sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173,
12 sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, and sections 101, 201, 211,
13 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, and as amended by 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. 109-73, excluding section 301
16 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to
17 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151,
18 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.
19 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and as
20 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.
21 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821
22 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L.
23 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,
24 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.
25 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.

1 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,
2 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.
3 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.
4 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections
5 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L.
6 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding section
7 sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276,
8 P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.
9 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L.
10 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L.
11 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847,
12 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, P.L. 109-7, P.L.
13 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
14 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301 of P.L.
15 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section
16 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L.
17 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.
18 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, except
19 that section 1366 (f) (relating to pass-through of items to shareholders) is modified
20 by substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375.
21 The Internal Revenue Code applies for Wisconsin purposes at the same time as for
22 federal purposes. Amendments to the federal Internal Revenue Code enacted after
23 December 31, 2004, do not apply to this paragraph with respect to taxable years
24 beginning after December 31, 2004, and before January 1, 2006, except that changes
25 to the Internal Revenue Code made by P.L. 109-7, P.L. 109-58, excluding sections

SECTION 2073

1 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.
2 109-58, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding
3 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and
4 (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,
5 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280, excluding
6 sections 811 and 844 of P.L. 109-280, and changes that indirectly affect the
7 provisions applicable to this subchapter made by P.L. 109-7, P.L. 109-58, excluding
8 sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351
9 of P.L. 109-58, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135,
10 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),
11 (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections
12 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280,
13 excluding sections 811 and 844 of P.L. 109-280, apply for Wisconsin purposes at the
14 same time as for federal purposes.

15 **SECTION 2074.** 71.34 (1g) (s) of the statutes is created to read:

16 71.34 (1g) (s) "Internal Revenue Code" for tax-option corporations, for taxable
17 years that begin after December 31, 2005, and before January 1, 2007, means the
18 federal Internal Revenue Code as amended to December 31, 2005, excluding sections
19 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and
20 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
21 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554,
22 P.L. 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147,
23 sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306,
24 308, 316, 401, and 403 (a) of P.L. 108-311, sections 101, 201, 211, 242, 244, 336, 337,
25 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310,

1 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of
2 P.L. 109-59, section 301 of P.L. 109-73, and sections 101, 105, 201 (a) as it relates
3 to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and as
4 amended by P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L.
5 109-222, P.L. 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L.
6 109-280, and as indirectly affected in the provisions applicable to this subchapter
7 by P.L. 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d)
8 (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.
9 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.
10 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.
11 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and
12 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.
13 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
14 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.
15 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,
16 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding
17 section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147,
18 excluding sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L.
19 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L.
20 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.
21 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403
22 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337,
23 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L.
24 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
25 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L.

1 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding
2 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and
3 (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,
4 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280, excluding
5 sections 811 and 844 of P.L. 109-280, except that section 1366 (f) (relating to
6 pass-through of items to shareholders) is modified by substituting the tax under s.
7 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code applies
8 for Wisconsin purposes at the same time as for federal purposes. Amendments to the
9 federal Internal Revenue Code enacted after December 31, 2005, do not apply to this
10 paragraph with respect to taxable years beginning after December 31, 2005, and
11 before January 1, 2007, except that changes to the Internal Revenue Code made by
12 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.
13 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and
14 changes that indirectly affect the provisions applicable to this subchapter made by
15 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.
16 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, apply for
17 Wisconsin purposes at the same time as for federal purposes.

18 **SECTION 2075.** 71.34 (1g) (t) of the statutes is created to read:

19 71.34 (1g) (t) "Internal Revenue Code" for tax-option corporations, for taxable
20 years that begin after December 31, 2006, means the federal Internal Revenue Code
21 as amended to December 31, 2006, excluding sections 103, 104, and 110 of P.L.
22 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,
23 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3,
24 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section
25 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and

1 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403
2 (a) of P.L. 108-311, sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910
3 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326,
4 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301
5 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403
6 (e), (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, 512, and 513 of
7 P.L. 109-222, sections 811 and 844 of P.L. 109-280, and P.L. 109-432, and as
8 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.
9 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821
10 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L.
11 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,
12 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.
13 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
14 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,
15 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.
16 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.
17 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections
18 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L.
19 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections
20 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L.
21 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.
22 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L.
23 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L.
24 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847,
25 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58,

1 excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348,
2 and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L.
3 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101,
4 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of
5 P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207, 209, 503, 512,
6 and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280, excluding sections 811 and
7 844 of P.L. 109-280, except that section 1366 (f) (relating to pass-through of items
8 to shareholders) is modified by substituting the tax under s. 71.35 for the taxes under
9 sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin purposes
10 at the same time as for federal purposes. Amendments to the federal Internal
11 Revenue Code enacted after December 31, 2006, do not apply to this paragraph with
12 respect to taxable years beginning after December 31, 2006.

13 **SECTION 2076.** 71.34 (1m) of the statutes is renumbered 71.34 (1m) (a).

14 **SECTION 2077.** 71.34 (1m) (b) of the statutes is created to read:

15 71.34 (1m) (b) Notwithstanding sub. (1g), section 101 of P.L. 109-222, related
16 to extending the increased expense deduction under section 179 of the Internal
17 Revenue Code, applies to property used in farming that is acquired and placed in
18 service in taxable years beginning on or after January 1, 2008, and used by a person
19 who is actively engaged in farming. For purposes of this paragraph, "actively
20 engaged in farming" has the meaning given in 7 CFR 1400.201, and "farming" has
21 the meaning given in section 464 (e) (1) of the Internal Revenue Code.

22 **SECTION 2078.** 71.42 (2) (k) of the statutes is repealed.

23 **SECTION 2079.** 71.42 (2) (L) of the statutes is repealed.

24 **SECTION 2080.** 71.42 (2) (m) of the statutes is amended to read:

1 71.42 (2) (m) For taxable years that begin after December 31, 1998, and before
2 January 1, 2000, "Internal Revenue Code" means the federal Internal Revenue Code
3 as amended to December 31, 1998, excluding sections 103, 104, and 110 of P.L.
4 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66
5 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as
6 amended by P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding
7 sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding section 431 of P.L.
8 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101, 301 (a), and 406 of P.L.
9 107-147, P.L. 107-181, P.L. 107-276, P.L. 108-121, excluding section 109 of P.L.
10 108-121, P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L.
11 108-311, and P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422,
12 847, 909, and 910 of P.L. 108-357, P.L. 109-7, P.L. 109-135, excluding sections 101,
13 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of
14 P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and
15 as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.
16 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections
17 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding
18 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.
19 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections
20 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.
21 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
22 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of
23 P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.
24 107-147, excluding sections 101, 301 (a), and 406 of P.L. 107-147, P.L. 107-181, P.L.
25 107-276, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311,

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

1 and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 211, 242,
2 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-7, P.L. 109-135,
3 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),
4 (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844
5 of P.L. 109-280, apply for Wisconsin purposes at the same time as for federal
6 purposes.

7 **SECTION 2081.** 71.42 (2) (n) of the statutes is amended to read:

8 71.42 (2) (n) For taxable years that begin after December 31, 1999, and before
9 January 1, 2003, "Internal Revenue Code" means the federal Internal Revenue Code
10 as amended to December 31, 1999, excluding sections 103, 104, and 110 of P.L.
11 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66
12 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as
13 amended by P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L.
14 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22,
15 P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101, 301 (a), and 406 of
16 P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,
17 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section
18 109 of P.L. 108-121, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308,
19 316, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201,
20 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, 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. 109-135, excluding sections 101, 105, 201
23 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L.
24 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and as
25 indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.

SECTION 2081

1 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections
2 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding
3 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.
4 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections
5 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.
6 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
7 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of
8 P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L.
9 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101, 301 (a),
10 and 406 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L.
11 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding
12 section 109 of P.L. 108-121, P.L. 108-218, P.L. 108-311, excluding sections 306, 307,
13 308, 316, 401, and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101,
14 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-7, P.L.
15 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
16 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-135, excluding sections 101, 105, 201
17 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L.
18 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, except
19 that "Internal Revenue Code" does not include section 847 of the federal Internal
20 Revenue Code. The Internal Revenue Code applies for Wisconsin purposes at the
21 same time as for federal purposes. Amendments to the federal Internal Revenue
22 Code enacted after December 31, 1999, do not apply to this paragraph with respect
23 to taxable years beginning after December 31, 1999, and before January 1, 2003,
24 except that changes to the Internal Revenue Code made by P.L. 106-230, P.L.
25 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,

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

1 **SECTION 2082.** 71.42 (2) (o) of the statutes is amended to read:

2 71.42 (2) (o) For taxable years that begin after December 31, 2002, and before
3 January 1, 2004, "Internal Revenue Code" means the federal Internal Revenue Code
4 as amended to December 31, 2002, excluding sections 103, 104, and 110 of P.L.
5 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,
6 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 106-519,
7 sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L. 107-16, and
8 section sections 101 and 301 (a) of P.L. 107-147, and as amended by P.L. 108-27,
9 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section
10 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.
11 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and
12 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336,
13 337, 422, 847, 909, and 910 of P.L. 108-357, and P.L. 108-375, P.L. 109-7, P.L.
14 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
15 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-135, excluding sections 101, 105, 201
16 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L.
17 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and as
18 indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.
19 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections
20 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding
21 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.
22 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections
23 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.
24 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
25 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of

1 P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L.
2 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding section sections 101 and
3 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L.
4 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding
5 section 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173,
6 P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401,
7 and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244,
8 336, 337, 422, 847, 909, and 910 of P.L. 108-357, and P.L. 108-375, P.L. 109-7, P.L.
9 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
10 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-135, excluding sections 101, 105, 201
11 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L.
12 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, except
13 that "Internal Revenue Code" does not include section 847 of the federal Internal
14 Revenue Code. The Internal Revenue Code applies for Wisconsin purposes at the
15 same time as for federal purposes. Amendments to the federal Internal Revenue
16 Code enacted after December 31, 2002, do not apply to this paragraph with respect
17 to taxable years beginning after December 31, 2002, and before January 1, 2004,
18 except that changes to the Internal Revenue Code made by P.L. 108-27, excluding
19 sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L.
20 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L.
21 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L.
22 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847,
23 909, and 910 of P.L. 108-357, and P.L. 108-375, P.L. 109-7, P.L. 109-58, excluding
24 sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351
25 of P.L. 109-58, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to

1 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and P.L.
2 109-280, excluding sections 811 and 844 of P.L. 109-280, and changes that indirectly
3 affect the provisions applicable to this subchapter made by P.L. 108-27, excluding
4 sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L.
5 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L.
6 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L.
7 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847,
8 909, and 910 of P.L. 108-357, and P.L. 108-375, P.L. 109-7, P.L. 109-58, excluding
9 sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351
10 of P.L. 109-58, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to
11 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and P.L.
12 109-280, excluding sections 811 and 844 of P.L. 109-280, apply for Wisconsin
13 purposes at the same time as for federal purposes.

14 **SECTION 2083.** 71.42 (2) (p) of the statutes is amended to read:

15 71.42 (2) (p) For taxable years that begin after December 31, 2003, and before
16 January 1, 2005, "Internal Revenue Code" means the federal Internal Revenue Code
17 as amended to December 31, 2003, excluding sections 103, 104, and 110 of P.L.
18 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,
19 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 106-519,
20 sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L. 107-16, section
21 sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and 202 of P.L. 108-27,
22 section 109 of P.L. 108-121, and section 1201 of P.L. 108-173, and as amended by P.L.
23 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and
24 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336,
25 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, P.L.

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

1 and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, except that
2 “Internal Revenue Code” does not include section 847 of the federal Internal Revenue
3 Code. The Internal Revenue Code applies for Wisconsin purposes at the same time
4 as for federal purposes. Amendments to the federal Internal Revenue Code enacted
5 after December 31, 2003, do not apply to this paragraph with respect to taxable years
6 beginning after December 31, 2003, and before January 1, 2005, except that changes
7 to the Internal Revenue Code made by P.L. 108-203, P.L. 108-218, P.L. 108-311,
8 excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,
9 excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.
10 108-357, P.L. 108-375, and P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections
11 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.
12 109-58, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding
13 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and
14 (q), and 405 of P.L. 109-135, P.L. 109-227, and P.L. 109-280, excluding sections 811
15 and 844 of P.L. 109-280, and changes that indirectly affect the provisions applicable
16 to this subchapter made by P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding
17 sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, 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.
19 108-375, and P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308,
20 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L.
21 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101,
22 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of
23 P.L. 109-135, P.L. 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L.
24 109-280, apply for Wisconsin purposes at the same time as for federal purposes.

25 SECTION 2084. 71.42 (2) (q) of the statutes is amended to read:

1 71.42 (2) (q) For taxable years that begin after December 31, 2004, and before
2 January 1, 2006, "Internal Revenue Code" means the federal Internal Revenue Code
3 as amended to December 31, 2004, excluding sections 103, 104, and 110 of P.L.
4 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,
5 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3,
6 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section
7 431 of P.L. 107-16, section sections 101 and 301 (a) of P.L. 107-147, sections 106, 201,
8 and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and
9 403 (a) of P.L. 108-311, and sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909,
10 and 910 of P.L. 108-357, and as amended by P.L. 109-7, P.L. 109-58, excluding
11 sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351
12 of P.L. 109-58, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135,
13 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),
14 (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections
15 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280,
16 excluding sections 811 and 844 of P.L. 109-280, and as indirectly affected by P.L.
17 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L.
18 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
19 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
20 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
21 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
22 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
23 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.
24 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15,
25 P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L.

1 107-134, P.L. 107-147, excluding ~~section~~ sections 101 and 301 (a) of P.L. 107-147,
2 P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding
3 sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding
4 section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding
5 sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding
6 sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L.
7 108-375, and P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308,
8 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L.
9 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101,
10 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of
11 P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207, 209, 503, 512,
12 and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280, excluding sections 811 and
13 844 of P.L. 109-280, except that "Internal Revenue Code" does not include section
14 847 of the federal Internal Revenue Code. The Internal Revenue Code applies for
15 Wisconsin purposes at the same time as for federal purposes. Amendments to the
16 federal Internal Revenue Code enacted after December 31, 2004, do not apply to this
17 paragraph with respect to taxable years beginning after December 31, 2004, and
18 before January 1, 2006, except that changes to the Internal Revenue Code made by
19 P.L. 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. 109-73, excluding section 301
21 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to
22 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151,
23 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.
24 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and
25 changes that indirectly affect the provisions applicable to this subchapter made by

1 P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
2 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301
3 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to
4 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151,
5 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.
6 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, apply for
7 Wisconsin purposes at the same time as for federal purposes.

8 **SECTION 2085.** 71.42 (2) (r) of the statutes is created to read:

9 71.42 (2) (r) For taxable years that begin after December 31, 2005, and before
10 January 1, 2007, "Internal Revenue Code" means the federal Internal Revenue Code
11 as amended to December 31, 2005, 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, and sections 101, 105, 201 (a) as it relates to section 1400S (a), 402
21 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and as amendeded by P.L. 109-222,
22 excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and
23 P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and as indirectly
24 affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L.
25 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and

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

1 before January 1, 2007, except that changes to the Internal Revenue Code made by
2 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.
3 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and
4 changes that indirectly affect the provisions applicable to this subchapter made by
5 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.
6 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, apply for
7 Wisconsin purposes at the same time as for federal purposes.

8 **SECTION 2086.** 71.42 (2) (s) of the statutes is created to read:

9 71.42 (2) (s) For taxable years that begin after December 31, 2006, "Internal
10 Revenue Code" means the federal Internal Revenue Code as amended to
11 December 31, 2006, excluding sections 103, 104, and 110 of P.L. 102-227, sections
12 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),
13 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L.
14 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L.
15 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and 202 of P.L.
16 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403 (a) of P.L.
17 108-311, sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.
18 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
19 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301 of P.L.
20 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),
21 (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, 512, and 513 of P.L.
22 109-222, sections 811 and 844 of P.L. 109-280, and P.L. 109-432, and as indirectly
23 affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L.
24 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and
25 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections

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

25 SECTION 2087. 71.44 (3) of the statutes is amended to read:

1 71.44 (3) EXTENSIONS. In the case of a corporation required to file a return,
2 ~~when sufficient reason is shown, the department of revenue may on written request~~
3 ~~shall allow an automatic extension of 30 days 7 months~~ or until the original due date
4 of the corporation's corresponding federal return, whichever is later, ~~if the~~
5 ~~corporation has not received an extension on its federal return.~~ Any extension of time
6 granted by law or by the internal revenue service for the filing of corresponding
7 federal returns shall extend the time for filing under this subchapter to 30 days after
8 the federal due date if a copy of any extension requested of the internal revenue
9 ~~service is filed with the corporation reports the extension in the manner specified by~~
10 ~~the department on the return.~~ Termination of an automatic extension by the internal
11 ~~revenue service, or its refusal to grant such automatic extension, shall similarly~~
12 ~~require that any returns due under this subchapter are due on or before 30 days after~~
13 ~~the date for termination fixed by the internal revenue service.~~ Except for payments
14 of estimated taxes, income or franchise taxes payable upon the filing of the tax return
15 shall not become delinquent during such extension period, but shall be subject to
16 interest at the rate of 12% per year during such period.

17 **SECTION 2088.** 71.45 (2) (a) 10. of the statutes is amended to read:

18 71.45 (2) (a) 10. By adding to federal taxable income the amount of credit
19 computed under s. 71.47 (1dd) to (1dx), (3n), (3p), (3w), ~~(5b)~~, (5e), (5f), (5g), and (5h),
20 (5i), and (5j) and not passed through by a partnership, limited liability company, or
21 tax-option corporation that has added that amount to the partnership's, limited
22 liability company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1)
23 (g) and the amount of credit computed under s. 71.47 (1), (3), (3t), (4), and (5).

24 **SECTION 2089.** 71.47 (1dj) (am) 4h. of the statutes is amended to read:

1 71.47 (1dj) (am) 4h. Modify section 51 (a) of the internal revenue code so that
2 the amount of the credit is 25% of the qualified first-year wages if the wages are paid
3 to an applicant for a Wisconsin ~~works~~ Works employment position for service either
4 in an unsubsidized position or in a ~~trial job~~ position under s. 49.147 (3) or (3m) and
5 so that the amount of the credit is 20% of the qualified first-year wages if the wages
6 are not paid to such an applicant.

7 **SECTION 2090.** 71.47 (1dx) (a) 5. of the statutes is amended to read:

8 71.47 (1dx) (a) 5. "Member of a targeted group" means a person who resides
9 in an area designated by the federal government as an economic revitalization area,
10 a person who is employed in an unsubsidized job but meets the eligibility
11 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,
12 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work,
13 real pay project position under s. 49.147 (3m), a person who is eligible for child care
14 assistance under s. 49.155, a person who is a vocational rehabilitation referral, an
15 economically disadvantaged youth, an economically disadvantaged veteran, a
16 supplemental security income recipient, a general assistance recipient, an
17 economically disadvantaged ex-convict, a qualified summer youth employee, as
18 defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or
19 a food stamp recipient, if the person has been certified in the manner under sub. (1dj)
20 (am) 3. by a designated local agency, as defined in sub. (1dj) (am) 2.

21 **SECTION 2091.** 71.47 (1dx) (b) 2. of the statutes is amended to read:

22 71.47 (1dx) (b) 2. The amount determined by multiplying the amount
23 determined under s. 560.785 (1) (b) by the number of full-time jobs created in a
24 development zone and filled by a member of a targeted group and by then subtracting

1 the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
2 under s. 49.147 (3m) (c) for those jobs.

3 **SECTION 2092.** 71.47 (1dx) (b) 3. of the statutes is amended to read:

4 71.47 (1dx) (b) 3. The amount determined by multiplying the amount
5 determined under s. 560.785 (1) (c) by the number of full-time jobs created in a
6 development zone and not filled by a member of a targeted group and by then
7 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
8 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

9 **SECTION 2093.** 71.47 (1dx) (b) 4. of the statutes is amended to read:

10 71.47 (1dx) (b) 4. The amount determined by multiplying the amount
11 determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as
12 provided in the rules under s. 560.785, excluding jobs for which a credit has been
13 claimed under sub. (1dj), in an enterprise development zone under s. 560.797 and for
14 which significant capital investment was made and by then subtracting the
15 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
16 under s. 49.147 (3m) (c) for those jobs.

17 **SECTION 2094.** 71.47 (1dx) (b) 5. of the statutes is amended to read:

18 71.47 (1dx) (b) 5. The amount determined by multiplying the amount
19 determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as
20 provided in the rules under s. 560.785, excluding jobs for which a credit has been
21 claimed under sub. (1dj), in a development zone and not filled by a member of a
22 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
23 the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

24 **SECTION 2095.** 71.47 (3p) of the statutes is created to read:

1 71.47 (3p) DAIRY MANUFACTURING FACILITY INVESTMENT CREDIT. (a) *Definitions.*

2 In this subsection:

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

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

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

6 (b) *Filing claims.* Subject to the limitations provided in this subsection, for
7 taxable years beginning after December 31, 2006, and before January 1, 2015, a
8 claimant may claim as a credit against the taxes imposed under s. 71.43, up to the
9 amount of the tax, an amount equal to 10 percent of the amount the claimant paid
10 in the taxable year for dairy manufacturing modernization or expansion related to
11 the claimant's dairy manufacturing operation.

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

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

17 3. Partnerships, limited liability companies, and tax-option corporations may
18 not claim the credit under this subsection, but the eligibility for, and the amount of,
19 the credit are based on their payment of expenses under par. (b), except that the
20 aggregate amount of credits that the entity may compute shall not exceed \$200,000.
21 A partnership, limited liability company, or tax-option corporation shall compute
22 the amount of credit that each of its partners, members, or shareholders may claim
23 and shall provide that information to each of them. Partners, members of limited
24 liability companies, and shareholders of tax-option corporations may claim the
25 credit in proportion to their ownership interest.

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

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

7 **SECTION 2096.** 71.47 (3w) (a) 5m. of the statutes is created to read:

8 71.47 (3w) (a) 5m. "Wages" means wages under section 3306 (b) of the Internal
9 Revenue Code, determined without regard to any dollar limitations.

10 **SECTION 2097.** 71.47 (3w) (a) 6. of the statutes is amended to read:

11 71.47 (3w) (a) 6. "Zone payroll" means the amount of state payroll that is
12 attributable to compensation wages paid to individuals full-time employees for
13 services that are performed in ~~a~~ an enterprise zone. "Zone payroll" does not include
14 the amount of compensation wages paid to any individuals full-time employees that
15 exceeds \$100,000.

16 **SECTION 2098.** 71.47 (3w) (b) 1. a. of the statutes is amended to read:

17 71.47 (3w) (b) 1. a. The claimant's zone payroll in the taxable year, minus the
18 claimant's zone payroll number of full-time employees whose annual wages are
19 greater than \$30,000 and who the claimant employed in the enterprise zone in the
20 taxable year, minus the number of full-time employees whose annual wages were
21 greater than \$30,000 and who the claimant employed in the area that comprises the
22 enterprise zone in the base year.

23 **SECTION 2099.** 71.47 (3w) (b) 1. b. of the statutes is amended to read:

24 71.47 (3w) (b) 1. b. The claimant's state payroll in the taxable year, minus the
25 claimant's state payroll number of full-time employees whose annual wages are

1 greater than \$30,000 and who the claimant employed in the state in the taxable year,
2 minus the number of full-time employees whose annual wages were greater than
3 \$30,000 and who the claimant employed in the state in the base year.

4 **SECTION 2100.** 71.47 (3w) (b) 2. of the statutes is amended to read:

5 71.47 (3w) (b) 2. ~~Subtract the number of~~ Determine the claimant's average
6 zone payroll by dividing total wages for full-time employees that whose annual
7 wages are greater than \$30,000 and who the claimant employed in the area that
8 comprises the enterprise zone in the base taxable year from by the number of
9 full-time employees that whose annual wages are greater than \$30,000 and who the
10 claimant employed in the enterprise zone in the taxable year.

11 **SECTION 2101.** 71.47 (3w) (b) 3. of the statutes is amended to read:

12 71.47 (3w) (b) 3. ~~Multiply Subtract \$30,000 from the amount determined under~~
13 ~~subd. 2., but not an amount less than zero, by \$30,000.~~

14 **SECTION 2102.** 71.47 (3w) (b) 4. of the statutes is amended to read:

15 71.47 (3w) (b) 4. ~~Subtract~~ Multiply the amount determined under subd. 3. ~~from~~
16 by the amount determined under subd. 1.

17 **SECTION 2103.** 71.47 (3w) (bm) (intro.) and 4. of the statutes are consolidated,
18 renumbered 71.47 (3w) (bm) and amended to read:

19 71.47 (3w) (bm) *Filing supplemental claims.* In addition to the credit under
20 par. (b) and subject to the limitations provided in this subsection and s. 560.799, a
21 claimant may claim as a credit against the tax imposed under s. 71.43 an amount
22 equal to ~~all of the following:~~ 4. ~~The~~ the amount the claimant paid in the taxable year
23 to upgrade or improve the job-related skills of any of the claimant's full-time
24 employees, to train any of the claimant's full-time employees on the use of
25 job-related new technologies, or to train provide job-related training to any

1 full-time employee whose employment with the claimant represents the employee's
2 first full-time job. This subdivision does not apply to employees who do not work in
3 ~~a~~ an enterprise zone.

4 **SECTION 2104.** 71.47 (3w) (bm) 3. of the statutes is repealed.

5 **SECTION 2105.** 71.47 (3w) (d) of the statutes is amended to read:

6 71.47 (3w) (d) *Administration.* Section 71.28 (4) (g) and (h), as it applies to the
7 credit under s. 71.28 (4), applies to the credit under this subsection. Claimants shall
8 include with their returns a copy of their certification for tax benefits, and a copy of
9 the verification of their expenses, from the department of commerce.

10 **SECTION 2106.** 71.47 (5b) (c) 1. of the statutes is amended to read:

11 71.47 (5b) (c) 1. The Except as provided in s. 73.03 (63), the maximum amount
12 of the credits that may be claimed under this subsection and ss. 71.07 (5b) and 71.28
13 (5b) for all taxable years combined is \$35,000,000 \$52,500,000.

14 **SECTION 2107.** 71.47 (5b) (d) of the statutes is renumbered 71.47 (5b) (d) 1.

15 **SECTION 2108.** 71.47 (5b) (d) 2. of the statutes is created to read:

16 71.47 (5b) (d) 2. The Wisconsin adjusted basis of any investment for which a
17 credit is claimed under par. (b) shall be reduced by the amount of the credit that is
18 offset against Wisconsin income taxes. The Wisconsin basis of a partner's interest
19 in a partnership, a member's interest in a limited liability company, or stock in a
20 tax-option corporation shall be adjusted to reflect adjustments made under this
21 subdivision.

22 **SECTION 2109.** 71.47 (5e) (b) of the statutes is amended to read:

23 71.47 (5e) (b) *Filing claims.* Subject to the limitations provided in this
24 subsection and subject to 2005 Wisconsin Act 479, section 17, beginning in the first
25 taxable year following the taxable year in which the claimant claims ~~an exemption~~

1 a deduction under s. ~~77.54 (48)~~ 77.585 (9), a claimant may claim as a credit against
2 the taxes imposed under s. 71.43, up to the amount of those taxes, in each taxable
3 year for 2 years, the amount certified by the department of commerce that the
4 claimant claimed as an ~~exemption~~ a deduction under s. ~~77.54 (48)~~ 77.585 (9).

5 **SECTION 2110.** 71.47 (5e) (c) 1. of the statutes is amended to read:

6 71.47 (5e) (c) 1. No credit may be allowed under this subsection unless the
7 claimant satisfies the requirements under s. ~~77.54 (48)~~ 77.585 (9).

8 **SECTION 2111.** 71.47 (5e) (c) 3. of the statutes is amended to read:

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

13 **SECTION 2112.** 71.47 (5h) (a) 4. of the statutes is amended to read:

14 71.47 (5h) (a) 4. "Previously owned property" means real property that the
15 claimant or a related person owned during the 2 years prior to doing business in this
16 state as a film production company and for which the claimant may not deduct a loss
17 from the sale of the property to, or an exchange of the property with, the related
18 person under section 267 of the Internal Revenue Code, except that section 267 of the
19 Internal Revenue Code is modified so that if the claimant owns any part of the
20 property, rather than 50 percent ownership, the claimant is subject to section 267 of
21 the Internal Revenue Code for purposes of this subsection.

22 **SECTION 2113.** 71.47 (5h) (c) 2. of the statutes is amended to read:

23 71.47 (5h) (c) 2. A claimant may claim the credit under par. (b) 2. for an amount
24 expended to construct, rehabilitate, remodel, or repair real property, if the claimant
25 began the physical work of construction, rehabilitation, remodeling, or repair, or any

1 demolition or destruction in preparation for the physical work, after December 31,
2 2007, ~~or if~~ and the completed project is placed in service after December 31, 2007.

3 **SECTION 2114.** 71.47 (5h) (c) 3. of the statutes is amended to read:

4 71.47 (5h) (c) 3. A claimant may claim the credit under par. (b) 2. for an amount
5 expended to acquire real property, if the property is not previously owned property
6 and if the claimant acquires the property after December 31, 2007, ~~or if~~ and the
7 completed project is placed in service after December 31, 2007.

8 **SECTION 2115.** 71.47 (5i) of the statutes is created to read:

9 71.47 (5i) ELECTRONIC MEDICAL RECORDS CREDIT. (a) *Definitions.* In this
10 subsection, "claimant" means a person who files a claim under this subsection.

11 (b) *Filing claims.* Subject to the limitations provided in this subsection, for
12 taxable years beginning after December 31, 2008, a claimant may claim as a credit
13 against the taxes imposed under s. 71.43, up to the amount of those taxes, an amount
14 equal to 50 percent of the amount the claimant paid in the taxable year for
15 information technology hardware or software that is used to maintain medical
16 records in electronic form, if the claimant is a health care provider, as defined in s.
17 146.81 (1).

18 (c) *Limitations.* 1. The maximum amount of the credits that may be claimed
19 under this subsection and ss. 71.07 (5i) and 71.28 (5i) in a taxable year is
20 \$10,000,000, as allocated under s. 560.204.

21 2. Partnerships, limited liability companies, and tax-option corporations may
22 not claim the credit under this subsection, but the eligibility for, and the amount of,
23 the credit are based on their payment of amounts under par. (b). A partnership,
24 limited liability company, or tax-option corporation shall compute the amount of
25 credit that each of its partners, members, or shareholders may claim and shall

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

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

6 **SECTION 2116.** 71.47 (5j) of the statutes is created to read:

7 71.47 (5j) ETHANOL AND BIODIESEL FUEL PUMP CREDIT. (a) *Definitions.* In this
8 subsection:

- 9 1. "Biodiesel fuel" has the meaning given in s. 168.14 (2m) (a).
- 10 2. "Claimant" means a person who files a claim under this subsection.
- 11 3. "Motor vehicle fuel" has the meaning given in s. 78.005 (13).

12 (b) *Filing claims.* Subject to the limitations provided in this subsection, for
13 taxable years beginning after December 31, 2007, and before January 1, 2018, a
14 claimant may claim as a credit against the taxes imposed under s. 71.43, up to the
15 amount of the taxes, an amount that is equal to 25 percent of the amount that the
16 claimant paid in the taxable year to install or retrofit pumps located in this state that
17 dispense motor vehicle fuel consisting of at least 85 percent ethanol or at least 20
18 percent biodiesel fuel.

19 (c) *Limitations.* 1. The maximum amount of the credit that a claimant may
20 claim under this subsection in a taxable year is an amount that is equal to \$5,000 per
21 installed or retrofitted pump that is used as the basis for the credit claimed under
22 par. (b).

23 2. Partnerships, limited liability companies, and tax-option corporations may
24 not claim the credit under this subsection, but the eligibility for, and the amount of,
25 the credit are based on their payment of amounts under par. (b). A partnership,

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1 limited liability company, or tax-option corporation shall compute the amount of
2 credit that each of its partners, members, or shareholders may claim and shall
3 provide that information to each of them. Partners, members of limited liability
4 companies, and shareholders of tax-option corporations may claim the credit in
5 proportion to their ownership interests.

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

8 **SECTION 2117.** 71.49 (1) (dd) of the statutes is created to read:

9 71.49 (1) (dd) Dairy manufacturing facility investment credit under s. 71.47
10 (3p).

11 **SECTION 2118.** 71.49 (1) (ds) of the statutes is created to read:

12 71.49 (1) (ds) Ethanol and biodiesel fuel pump credit under s. 71.47 (5j).

13 **SECTION 2119.** 71.49 (1) (epa) of the statutes is created to read:

14 71.49 (1) (epa) Electronic medical records credit under s. 71.47 (5i).

15 **SECTION 2120.** 71.49 (1) (epp) of the statutes is renumbered 71.49 (1) (eps) and
16 amended to read:

17 71.49 (1) (eps) Film production services credit under s. 71.47 (5f) (b) 1. and 3.

18 **SECTION 2121.** 71.49 (1) (f) of the statutes is amended to read:

19 71.49 (1) (f) The total of farmers' drought property tax credit under s. 71.47
20 (1fd), farmland preservation credit under subch. IX, farmland tax relief credit under
21 s. 71.47 (2m), enterprise zone jobs credit under s. 71.47 (3w), film production services
22 credit under s. 71.28 (5f) (b) 2., and estimated tax payments under s. 71.48.

23 **SECTION 2122.** 71.54 (2m) of the statutes is created to read:

24 71.54 (2m) INDEXING FOR INFLATION; 2008 AND THEREAFTER. (a) For taxable years
25 beginning after December 31, 2007, the dollar amount for the maximum household

1 income under sub. (1) (f) 3. shall be increased each year by a percentage equal to the
2 percentage change between the U.S. consumer price index for all urban consumers,
3 U.S. city average, for the month of August of the previous year and the U.S. consumer
4 price index for all urban consumers, U.S. city average, for the month of August 2006,
5 as determined by the federal department of labor. The amount that is revised under
6 this paragraph shall be rounded to the nearest multiple of \$10 if the revised amount
7 is not a multiple of \$10 or, if the revised amount is a multiple of \$5, such an amount
8 shall be increased to the next higher multiple of \$10. The department of revenue
9 shall annually adjust the changes in dollar amounts required under this paragraph
10 and incorporate the changes into the income tax forms and instructions.

11 (b) The department of revenue shall annually adjust the slope under sub. (1)
12 (f) 2. such that as a claimant's income increases from the threshold income under sub.
13 (1) (f) 1. and 2., to an amount that exceeds the maximum household income as
14 calculated under par. (a), the credit that may be claimed is reduced to \$0 and the
15 department of revenue shall incorporate the changes into the income tax forms and
16 instructions.

17 **SECTION 2123.** 71.60 (1) (b) of the statutes is amended to read:

18 71.60 (1) (b) The credit allowed under this subchapter shall be limited to 90%
19 of the first \$2,000 of excessive property taxes plus 70% of the 2nd \$2,000 of excessive
20 property taxes plus 50% of the 3rd \$2,000 of excessive property taxes. The maximum
21 credit shall not exceed \$4,200 for any claimant. The credit for any claimant shall be
22 the greater of either the credit as calculated under this subchapter as it exists at the
23 end of the year for which the claim is filed or as it existed on the date on which the
24 farmland became subject to a current agreement under subch. II ~~or III~~ of ch. 91 or

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1 under subch. III of ch. 91, 2005 stats., using for such calculations household income
2 and property taxes accrued of the year for which the claim is filed.

3 **SECTION 2124.** 71.60 (1) (c) 3. of the statutes is amended to read:

4 71.60 (1) (c) 3. If the claimant or any member of the claimant's household owns
5 farmland which is ineligible for credit under subd. 1. or 2. but was subject to a
6 farmland preservation agreement under subch. III of ch. 91, 2005 stats., on July 1
7 of the year for which credit is claimed, or the owner had applied for such an
8 agreement before July 1 of such year and the agreement has subsequently been
9 executed, and if the owner has applied by the end of the year in which conversion
10 under s. 91.41, 2005 stats., is first possible for conversion of the agreement to a
11 transition area agreement under subch. II of ch. 91, and the transition area
12 agreement has subsequently been executed, and the farmland is located in a city or
13 village which has a certified exclusive agricultural use zoning ordinance under
14 subch. V of ch. 91 in effect at the close of the year for which credit is claimed, or in
15 a town which is subject to a certified county exclusive agricultural use zoning
16 ordinance under subch. V of ch. 91 in effect at the close of the year for which credit
17 is claimed, the amount of the claim shall be that specified in par. (b).

18 **SECTION 2125.** 71.60 (1) (c) 5. of the statutes is amended to read:

19 71.60 (1) (c) 5. If the claimant or any member of the claimant's household owns
20 farmland which is ineligible for credit under subds. 1. to 4. but was subject to a
21 farmland preservation agreement under subch. III of ch. 91, 2005 stats., on July 1
22 of the year for which credit is claimed, or the owner had applied for such an
23 agreement before July 1 of such year and the agreement has subsequently been
24 executed, and if the owner has applied by the end of the year in which conversion
25 under s. 91.41, 2005 stats., is first possible for conversion of the agreement to an

1 agreement under subch. II of ch. 91, and the agreement under subch. II of ch. 91 has
2 subsequently been executed, the amount of the claim shall be limited to 80% of that
3 specified in par. (b).

4 **SECTION 2126.** 71.60 (1) (c) 8. of the statutes is amended to read:

5 71.60 (1) (c) 8. If the farmland is subject to a farmland preservation agreement
6 under subch. III of ch. 91, 2005 stats., on July 1 of the year for which credit is claimed
7 or the claimant had applied for such an agreement before July 1 of such year and the
8 agreement has subsequently been executed, the amount of the claim shall be limited
9 to 50% of that specified in par. (b).

10 **SECTION 2127.** 71.738 (1d) of the statutes is repealed.

11 **SECTION 2128.** 71.738 (2d) of the statutes is repealed.

12 **SECTION 2129.** 71.74 (14) of the statutes is amended to read:

13 71.74 (14) **ADDITIONAL REMEDY TO COLLECT TAX.** The department may also
14 proceed under s. 71.91 (5) for the collection of any additional assessment of income
15 or franchise taxes or surtaxes, after notice thereof has been given under sub. (11) and
16 before the same shall have become delinquent, when it has reasonable grounds to
17 believe that the collection of such additional assessment will be jeopardized by delay.
18 In such cases notice of the intention to so proceed shall be given by registered mail
19 to the taxpayer, and the warrant of the department shall not issue if the taxpayer
20 within 10 days after such notice furnishes a bond in such amount, not exceeding
21 double the amount of the tax, and with such sureties as the department shall
22 approve, conditioned upon the payment of so much of the additional taxes as shall
23 finally be determined to be due, together with interest thereon as provided by s. 71.82
24 (1) (a). Nothing in this subsection shall affect the review of additional assessments
25 provided by ss. 71.88 (1) (a) and (2) (a), 71.89 (2), 73.01, and 73.015, and any amounts

1 collected under this subsection shall be deposited with the secretary of
2 ~~administration department~~ and disbursed after final determination of the taxes as
3 are amounts deposited under s. 71.90 (2).

4 **SECTION 2130.** 71.765 of the statutes is repealed.

5 **SECTION 2131.** 71.775 (3) (a) 2. of the statutes is amended to read:

6 71.775 (3) (a) 2. ~~The partner, member, shareholder, or beneficiary has no~~
7 ~~Wisconsin income other than his or her partner's, member's, shareholder's, or~~
8 ~~beneficiary's share of income from the pass-through entity that is attributable to this~~
9 ~~state and his or her share of such income is less than \$1,000.~~

10 **SECTION 2132.** 71.775 (3) (a) 3. of the statutes is created to read:

11 71.775 (3) (a) 3. The nonresident partner, member, shareholder, or beneficiary
12 files an affidavit with the department, in the form and manner prescribed by the
13 department, whereby the nonresident partner, member, shareholder, or beneficiary
14 agrees to file a Wisconsin income or franchise tax return and be subject to the
15 personal jurisdiction of the department, the tax appeals commission, and the courts
16 of this state for the purpose of determining and collecting Wisconsin income and
17 franchise taxes, including estimated tax payments, together with any related
18 interest and penalties.

19 **SECTION 2133.** 71.775 (4) (b) 2. of the statutes is amended to read:

20 71.775 (4) (b) 2. ~~A pass-through entity that pays the tax withheld under sub.~~
21 ~~(2) as provided under subd. 1. is not subject to an underpayment of estimated tax~~
22 ~~under s. 71.09 or 71.29, if 90 percent of the tax that is due for the current taxable year~~
23 ~~is paid by the unextended due date or if 100 percent of the tax that is due for the~~
24 ~~taxable year immediately preceding the current taxable year is paid by the~~
25 ~~unextended due date and the taxable year immediately preceding the current~~

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

6 **SECTION 2134.** 71.775 (4) (d) of the statutes is amended to read:

7 71.775 (4) (d) A nonresident partner, member, shareholder, or beneficiary of a
8 pass-through entity may claim a credit, as prescribed by the department, on his or
9 her Wisconsin income or franchise tax return for the amount withheld under sub. (2)
10 on his or her behalf for the tax period for which the income of the pass-through entity
11 is reported. For purposes of ~~this paragraph~~ determining whether interest under s.
12 71.84 applies to a nonresident partner, member, shareholder, or beneficiary, the
13 amount withheld under sub. (2) is considered to be paid ~~on the last day of the~~
14 ~~pass-through entity's taxable year for which the tax is paid in 4 equal quarterly~~
15 installments.

16 **SECTION 2135.** 71.775 (4) (f) of the statutes is amended to read:

17 71.775 (4) (f) If a pass-through entity subject to withholding under this section
18 fails to ~~withhold~~ pay the tax as required by this section, the pass-through entity shall
19 be liable for any tax, interest, and penalties. If a nonresident partner, member,
20 shareholder, or beneficiary of the pass-through entity files a return and pays the tax
21 due, the pass-through entity shall not be liable for the tax, but shall be liable for any
22 ~~interest and penalties otherwise applicable for failure to withhold,~~ as the penalty
23 provided under ss. 71.82 (2) (d) and s. 71.83 (1) (a) 1.

24 **SECTION 2136.** 71.80 (20) of the statutes is amended to read:

1 71.80 (20) ~~MAGNETIC MEDIA~~ ELECTRONIC FILING. If the internal revenue service
2 requires a person to file information returns or wage statements ~~on magnetic media~~
3 ~~or in other machine-readable form~~ electronically for federal income tax purposes, the
4 person shall also file the comparable state information returns or wage statements
5 ~~on magnetic media or in other machine-readable form~~ electronically with the
6 department of revenue for income or franchise tax purposes.

7 **SECTION 2137.** 71.805 of the statutes is created to read:

8 **71.805 Tax avoidance transactions voluntary compliance program. (1)**

9 DEFINITIONS. In this section:

10 (a) "Tax avoidance transaction" means a transaction, plan, or arrangement
11 devised for the principal purpose of avoiding federal or Wisconsin income or
12 franchise tax and that is a reportable transaction as provided under U.S. department
13 of the treasury regulations as of the effective date of this paragraph [revisor
14 inserts date].

15 (b) "Taxpayer" means a person who is subject to the taxes imposed under this
16 chapter and who has a tax liability attributable to using a tax avoidance transaction
17 for any taxable year beginning before January 1, 2007.

18 **(2) PENALTY WAIVER OR ABATEMENT.** All of the following apply with regard to a
19 taxpayer who satisfies the conditions under sub. (3):

20 (a) Except as provided under sub. (4) (b), the department shall waive or abate
21 all penalties that are applicable to the underreporting or underpayment of Wisconsin
22 income or franchise taxes attributable to using a tax avoidance transaction for any
23 taxable year for which the taxpayer satisfies the conditions under sub. (3).

1 (b) The department shall not seek a criminal prosecution against the taxpayer
2 with respect to using a tax avoidance transaction for any taxable year for which the
3 taxpayer satisfies the conditions under sub. (3).

4 **(3) TAXPAYER ELIGIBILITY.** A taxpayer is eligible for the benefits described under
5 sub. (2) (a) and (b), if, during the period beginning on October 1, 2007, and ending
6 on December 31, 2007, the taxpayer does the following:

7 (a) Files an amended Wisconsin tax return for each taxable year for which the
8 taxpayer has previously filed a Wisconsin tax return that uses a tax avoidance
9 transaction to underreport the taxpayer's Wisconsin income or franchise tax liability
10 and the amended return reports the total Wisconsin net income and tax for the
11 taxable year, computed without regard to any tax avoidance transaction and without
12 regard to any other adjustment that is unrelated to any tax avoidance transaction.

13 (b) Pays, in full, for each taxable year for which an amended return is filed
14 under par. (a), the entire amount of Wisconsin income or franchise tax and interest
15 due that is attributable to using a tax avoidance transaction.

16 **(4) LIMITATIONS AND ADMINISTRATION.** (a) A taxpayer who receives the benefits
17 described under sub. (2) may not file an appeal or a claim for credit or refund with
18 respect to the tax avoidance transactions for the taxable years for which the taxpayer
19 satisfied the conditions under sub. (3).

20 (b) The department may not waive or abate a penalty as provided under sub.
21 (2) (a) if the penalty relates to an amount of Wisconsin income and franchise tax that
22 is attributable to a tax avoidance transaction and assessed or paid prior to October
23 1, 2007, or after December 31, 2007.

24 (c) Notwithstanding the other provisions of this section, a transaction does not
25 have to be a reportable transaction as provided under U.S. department of the

1 treasury regulations in order for the department to examine the transaction with
2 regard to its principal purpose.

3 (d) A taxpayer who files an amended return under sub. (3) (a) may file a
4 separate amended return with respect to adjustments that are unrelated to any tax
5 avoidance transaction.

6 (e) The department shall promulgate rules, publish forms and instructions,
7 and take any other action necessary to implement and administer this section.

8 **SECTION 2138.** 71.81 of the statutes is created to read:

9 **71.81 Disclosing reportable transactions. (1) DEFINITIONS.** In this section:

10 (a) "Listed transaction" means any reportable transaction that is the same as,
11 or substantially similar to, a transaction, plan, or arrangement specifically identified
12 by the U.S. secretary of the treasury as a listed transaction, for purposes of section
13 6011 of the Internal Revenue Code, that occurred on or after January 1, 2002, and
14 that is specifically identified by the U.S. secretary of the treasury as a listed
15 transaction on or after the date the transaction occurred.

16 (b) "Material advisor" means any person who provides any material aid,
17 assistance, or advice with respect to organizing, managing, promoting, selling,
18 implementing, insuring, or carrying out any reportable transaction and who, directly
19 or indirectly, derives gross income from providing such aid, assistance, or advice in
20 an amount that exceeds the threshold amount.

21 (c) "Reportable transaction" means any transaction, plan, or arrangement,
22 including a listed transaction, for which a taxpayer is required to submit information
23 to the department because the taxpayer is required to disclose the transaction, plan,
24 or arrangement for federal income tax purposes, as provided under U.S. department
25 of treasury regulations.

1 (d) "Tax shelter" means any entity, plan, or arrangement, if avoiding or evading
2 federal income tax or Wisconsin income or franchise tax is a significant purpose of
3 the entity, plan, or arrangement.

4 (e) "Threshold amount" means the following:

5 1. In the case of a reportable transaction, not including a listed transaction,
6 from which a substantial part of the tax benefits are provided to an individual,
7 \$50,000.

8 2. In the case of a listed transaction from which a substantial part of the tax
9 benefits are provided to an individual, \$10,000.

10 3. In the case of a reportable transaction, not including a listed transaction,
11 from which a substantial part of the tax benefits are provided to an entity and not
12 an individual, \$250,000.

13 4. In the case of a listed transaction, from which a substantial part of the tax
14 benefits are provided to an entity and not an individual, \$25,000.

15 (2) DISCLOSURE. For each taxable year in which a taxpayer has participated in
16 a reportable transaction, the taxpayer shall file with the department a copy of any
17 form prescribed by the internal revenue service for disclosing a reportable
18 transaction for federal income tax purposes no later than 60 days after the date for
19 which the taxpayer is required to file the form for federal income tax purposes, except
20 that, if the taxpayer has filed a form with the internal revenue service on or before
21 the effective date of this subsection ... [revisor inserts date], the taxpayer shall file
22 a copy of the form with the department no later than December 31, 2007. The
23 department may require that forms filed with the department under this subsection
24 be filed separately from this state's income or franchise tax return. This subsection
25 applies to any reportable transaction entered into on or after January 1, 2002, for any

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1 taxable year for which the transaction remains undisclosed and for which the statute
2 of limitations on assessment, including any extension provided under sub. (6), has
3 not expired as of the date that is 60 days after the effective date of this subsection
4 [revisor inserts date].

5 **(3) PENALTY FOR FAILING TO DISCLOSE.** (a) Any taxpayer who does not file the
6 form under sub. (2) and who is required to file the form is subject to the following
7 penalty:

8 1. If the taxpayer participated in a reportable transaction that is not a listed
9 transaction, the lesser of \$15,000 or 10 percent of the tax benefit obtained from the
10 reportable transaction.

11 2. If the taxpayer participated in a listed transaction, \$30,000.

12 (b) The secretary of revenue may waive or abate any penalty imposed under
13 this subsection, or any portion of such penalty, related to a reportable transaction
14 that is not a listed transaction, if the waiver or abatement promotes compliance with
15 this section and effective tax administration.

16 (c) The penalties imposed under this subsection apply to any failure to disclose
17 a listed transaction entered into on or after January 1, 2002, including transactions
18 that were not listed transactions when entered into, but became listed transactions
19 before the effective date of this paragraph [revisor inserts date], or any other
20 reportable transaction entered into after the effective date of this paragraph
21 [revisor inserts date], for any taxable year for which the statute of limitations on
22 assessment, including any extension under sub. (6), has not expired as of the effective
23 date of this paragraph [revisor inserts date].

24 **(4) UNDERSTATEMENT PENALTY.** (a) If a taxpayer has a reportable transaction
25 understatement, as determined in par. (b), the taxpayer shall pay, in addition to any