

1 **SECTION 2018.** 71.24 (7) of the statutes is amended to read:

2 71.24 (7) EXTENSIONS. In the case of a corporation required to file a return,
3 ~~when sufficient reason is shown,~~ the department of revenue ~~may on written request~~
4 shall allow an automatic extension of 30 days 7 months or until the original due date
5 of the corporation's corresponding federal return, whichever is later, ~~if the~~
6 ~~corporation has not received an extension on its federal return.~~ Any extension of time
7 granted by law or by the internal revenue service for the filing of corresponding
8 federal returns shall extend the time for filing under this subchapter to 30 days after
9 the federal due date ~~if a copy of any extension requested of the internal revenue~~
10 ~~service is filed with~~ the corporation reports the extension in the manner specified by
11 the department on the return. ~~Termination of an automatic extension by the internal~~
12 ~~revenue service, or its refusal to grant such automatic extension, shall similarly~~
13 ~~require that any returns due under this subchapter are due on or before 30 days after~~
14 ~~the date for termination fixed by the internal revenue service.~~ Except for payments
15 of estimated taxes, income or franchise taxes payable upon the filing of the tax return
16 shall not become delinquent during such extension period, but shall be subject to
17 interest at the rate of 12% per year during such period.

18 **SECTION 2019.** 71.26 (1) (am) of the statutes is created to read:

19 71.26 (1) (am) *Veterans service organizations.* Income of a veterans service
20 organization that is chartered under federal law.

21 **SECTION 2020.** 71.26 (1) (b) of the statutes is amended to read:

22 71.26 (1) (b) *Political units.* Income received by the United States, the state
23 and all counties, cities, villages, towns, school districts, technical college districts,
24 joint local water authorities created under s. 66.0823, family long-term care districts
25 under s. 46.2895 or other political units of this state.

1 **SECTION 2021e.** 71.26 (1) (g) of the statutes is created to read:

2 71.26 (1) (g) For taxable years beginning after December 31, 2006, the amount
3 of any incentive payment received by an individual under s. 23.33 (5r) in the taxable
4 year to which the claim relates.

5 **SECTION 2021m.** 71.26 (1m) (i) of the statutes is created to read:

6 71.26 (1m) (i) Those issued under s. 231.03 (6), on or after the effective date of
7 this paragraph [revisor inserts date], if the proceeds from the obligations that are
8 issued are used by a health facility, as defined in s. 231.01 (5), to fund the acquisition
9 of information technology hardware or software.

10 **SECTION 2022.** 71.26 (2) (a) of the statutes is amended to read:

11 71.26 (2) (a) *Corporations in general.* The “net income” of a corporation means
12 the gross income as computed under the Internal Revenue Code as modified under
13 sub. (3) minus the amount of recapture under s. 71.28 (1di) plus the amount of credit
14 computed under s. 71.28 (1), (3), (4), and (5) minus, as provided under s. 71.28 (3) (c)
15 7., the amount of the credit under s. 71.28 (3) that the taxpayer added to income
16 under this paragraph at the time that the taxpayer first claimed the credit plus the
17 amount of the credit computed under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm),
18 (1ds), (1dx), (3g), (3h), (3n), (3p), (3t), (3w), (5b), (5e), (5f), (5g), and (5h), (5i), (5j), and
19 (5k) and not passed through by a partnership, limited liability company, or
20 tax-option corporation that has added that amount to the partnership’s, limited
21 liability company’s, or tax-option corporation’s income under s. 71.21 (4) or 71.34 (1)
22 (g) plus the amount of losses from the sale or other disposition of assets the gain from
23 which would be wholly exempt income, as defined in sub. (3) (L), if the assets were
24 sold or otherwise disposed of at a gain and minus deductions, as computed under the
25 Internal Revenue Code as modified under sub. (3), plus or minus, as appropriate, an

1 amount equal to the difference between the federal basis and Wisconsin basis of any
2 asset sold, exchanged, abandoned, or otherwise disposed of in a taxable transaction
3 during the taxable year, except as provided in par. (b) and s. 71.45 (2) and (5).

4 **SECTION 2032.** 71.26 (3) (s) of the statutes is amended to read:

5 71.26 (3) (s) Sections 951 to 964 (relating to controlled foreign corporations) are
6 excluded, and, for taxable years beginning on or after January 1, 2006, sections 951
7 to 965 (relating to controlled foreign corporations) are excluded.

8 **SECTION 2034.** 71.28 (1dx) (a) 5. of the statutes is amended to read:

9 71.28 (1dx) (a) 5. "Member of a targeted group" means a person who resides
10 in an area designated by the federal government as an economic revitalization area,
11 a person who is employed in an unsubsidized job but meets the eligibility
12 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,
13 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work,
14 real pay project position under s. 49.147 (3m), a person who is eligible for child care
15 assistance under s. 49.155, a person who is a vocational rehabilitation referral, an
16 economically disadvantaged youth, an economically disadvantaged veteran, a
17 supplemental security income recipient, a general assistance recipient, an
18 economically disadvantaged ex-convict, a qualified summer youth employee, as
19 defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or
20 a food stamp recipient, if the person has been certified in the manner under sub. (1dj)
21 (am) 3. by a designated local agency, as defined in sub. (1dj) (am) 2.

22 **SECTION 2035.** 71.28 (1dx) (b) 2. of the statutes is amended to read:

23 71.28 (1dx) (b) 2. The amount determined by multiplying the amount
24 determined under s. 560.785 (1) (b) by the number of full-time jobs created in a
25 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 2036.** 71.28 (1dx) (b) 3. of the statutes is amended to read:

4 71.28 (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 2037.** 71.28 (1dx) (b) 4. of the statutes is amended to read:

10 71.28 (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 2038.** 71.28 (1dx) (b) 5. of the statutes is amended to read:

18 71.28 (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 2038h.** 71.28 (3h) of the statutes is created to read:

1 71.28 (3h) BIODIESEL FUEL PRODUCTION CREDIT. (a) *Definitions.* In this
2 subsection:

3 1. "Biodiesel fuel" has the meaning given in s. 168.14 (2m) (a).

4 2. "Claimant" means a person who is engaged in the business of producing
5 biodiesel fuel in this state and who files a claim under this subsection.

6 (b) *Filing claims.* Subject to the limitations provided in this subsection, for
7 taxable years beginning after December 31, 2009, and before January 1, 2013, for a
8 claimant who produces at least 2,500,000 gallons of biodiesel fuel in this state in the
9 taxable year, a claimant may claim as a credit against the tax imposed under s. 71.23,
10 up to the amount of the tax, an amount that is equal to the number of gallons of
11 biodiesel fuel produced by the claimant in this state in the taxable year multiplied
12 by 10 cents.

13 (c) *Limitations.* 1. The maximum amount of the credit that a claimant may
14 claim under this subsection in a taxable year is \$1,000,000.

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

23 (d) *Administration.* Subsection (4) (e) to (h) as it applies to the credit under sub.
24 (4), applies to the credit under this subsection.

25 **SECTION 2039.** 71.28 (3p) of the statutes is created to read:

1 71.28 (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 and s.
7 560.207, for taxable years beginning after December 31, 2006, and before January
8 1, 2015, a claimant may claim as a credit against the taxes imposed under s. 71.23,
9 up to the amount of the tax, an amount equal to 10 percent of the amount the
10 claimant paid in the taxable year for dairy manufacturing modernization or
11 expansion related to 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 2m. a. The maximum amount of the credits that may be claimed under this
18 subsection and ss. 71.07 (3p) and 71.47 (3p) in fiscal year 2007-08 is \$600,000, as
19 allocated under s. 560.207.

20 b. The maximum amount of the credits that may be claimed under this
21 subsection and ss. 71.07 (3p) and 71.47 (3p) in fiscal year 2008-09, and in each fiscal
22 year thereafter, is \$700,000, as allocated under s. 560.207.

23 3. 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 expenses under par. (b), except that the

1 aggregate amount of credits that the entity may compute shall not exceed \$200,000.
2 A partnership, limited liability company, or tax-option corporation shall compute
3 the amount of credit that each of its partners, members, or shareholders may claim
4 and shall provide that information to each of them. Partners, members of limited
5 liability companies, and shareholders of tax-option corporations may claim the
6 credit in proportion to their ownership interest.

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

11 (d) *Administration.* 1. Subsection (4) (e), (g), and (h), as it applies to the credit
12 under sub. (4), applies to the credit under this subsection.

13 2. If the allowable amount of the claim under par. (b) exceeds the tax otherwise
14 due under s. 71.23 or no tax is due under s. 71.23, the amount of the claim not used
15 to offset the tax due shall be certified by the department of revenue to the department
16 of administration for payment by check, share draft, or other draft drawn from the
17 appropriation account under s. 20.835 (2) (bn).

18 **SECTION 2040.** 71.28 (3w) (a) 5m. of the statutes is created to read:

19 71.28 (3w) (a) 5m. "Wages" means wages under section 3306 (b) of the Internal
20 Revenue Code, determined without regard to any dollar limitations.

21 **SECTION 2041.** 71.28 (3w) (a) 6. of the statutes is amended to read:

22 71.28 (3w) (a) 6. "Zone payroll" means the amount of state payroll that is
23 attributable to ~~compensation~~ wages paid to ~~individuals~~ full-time employees for
24 services that are performed in ~~a~~ an enterprise zone. "Zone payroll" does not include

1 the amount of ~~compensation wages~~ paid to any individuals full-time employees that
2 exceeds \$100,000.

3 **SECTION 2042.** 71.28 (3w) (b) 1. a. of the statutes is amended to read:

4 71.28 (3w) (b) 1. a. The claimant's ~~zone payroll in the taxable year, minus the~~
5 ~~claimant's zone payroll~~ number of full-time employees whose annual wages are
6 greater than \$30,000 and who the claimant employed in the enterprise zone in the
7 taxable year, minus the number of full-time employees whose annual wages were
8 greater than \$30,000 and who the claimant employed in the area that comprises the
9 enterprise zone in the base year.

10 **SECTION 2043.** 71.28 (3w) (b) 1. b. of the statutes is amended to read:

11 71.28 (3w) (b) 1. b. The claimant's ~~state payroll in the taxable year, minus the~~
12 ~~claimant's state payroll~~ number of full-time employees whose annual wages are
13 greater than \$30,000 and who the claimant employed in the state in the taxable year,
14 minus the number of full-time employees whose annual wages were greater than
15 \$30,000 and who the claimant employed in the state in the base year.

16 **SECTION 2044.** 71.28 (3w) (b) 2. of the statutes is amended to read:

17 71.28 (3w) (b) 2. ~~Subtract the number of~~ Determine the claimant's average
18 zone payroll by dividing total wages for full-time employees that whose annual
19 wages are greater than \$30,000 and who the claimant employed in the area that
20 comprises the enterprise zone in the base taxable year from ~~by~~ the number of
21 full-time employees that whose annual wages are greater than \$30,000 and who the
22 claimant employed in the enterprise zone in the taxable year.

23 **SECTION 2045.** 71.28 (3w) (b) 3. of the statutes is amended to read:

24 71.28 (3w) (b) 3. ~~Multiply~~ Subtract \$30,000 from the amount determined under
25 ~~subd. 2., but not an amount less than zero, by \$30,000.~~

1 **SECTION 2046.** 71.28 (3w) (b) 4. of the statutes is amended to read:

2 71.28 (3w) (b) 4. ~~Subtract~~ Multiply the amount determined under subd. 3. ~~from~~
3 by the amount determined under subd. 1.

4 **SECTION 2047.** 71.28 (3w) (bm) (intro.) and 4. of the statutes are g consolidated,
5 renumbered 71.28 (3w) (bm) and amended to read:

6 71.28 (3w) (bm) *Filing supplemental claims.* In addition to the credit under
7 par. (b) and subject to the limitations provided in this subsection and s. 560.799, a
8 claimant may claim as a credit against the tax imposed under s. 71.23 an amount
9 equal to all of the following: 4. ~~The~~ the amount the claimant paid in the taxable year
10 to upgrade or improve the job-related skills of any of the claimant's full-time
11 employees, to train any of the claimant's full-time employees on the use of
12 job-related new technologies, or to ~~train~~ provide job-related training to any
13 full-time employee whose employment with the claimant represents the employee's
14 first full-time job. This subdivision does not apply to employees who do not work in
15 ~~a~~ an enterprise zone.

16 **SECTION 2048.** 71.28 (3w) (bm) 3. of the statutes is repealed.

17 **SECTION 2049.** 71.28 (3w) (d) of the statutes is amended to read:

18 71.28 (3w) (d) *Administration.* Subsection (4) (g) and (h), as it applies to the
19 credit under sub. (4), applies to the credit under this subsection. Claimants shall
20 include with their returns a copy of their certification for tax benefits, and a copy of
21 the verification of their expenses, from the department of commerce.

22 **SECTION 2050.** 71.28 (5b) (c) 1. of the statutes is amended to read:

23 71.28 (5b) (c) 1. ~~The~~ Except as provided in s. 73.03 (63), the maximum amount
24 of the credits that may be claimed under this subsection and ss. 71.07 (5b) and 71.47
25 (5b) for all taxable years combined is ~~\$35,000,000~~ \$52,500,000.

1 **SECTION 2051.** 71.28 (5b) (d) of the statutes is renumbered 71.28 (5b) (d) 1.

2 **SECTION 2052.** 71.28 (5b) (d) 2. of the statutes is created to read:

3 71.28 **(5b)** (d) 2. The Wisconsin adjusted basis of any investment for which a
4 credit is claimed under par. (b) shall be reduced by the amount of the credit that is
5 offset against Wisconsin income taxes. The Wisconsin basis of a partner's interest
6 in a partnership, a member's interest in a limited liability company, or stock in a
7 tax-option corporation shall be adjusted to reflect adjustments made under this
8 subdivision.

9 **SECTION 2056.** 71.28 (5h) (a) 4. of the statutes is amended to read:

10 71.28 **(5h)** (a) 4. "Previously owned property" means real property that the
11 claimant or a related person owned during the 2 years prior to doing business in this
12 state as a film production company and for which the claimant may not deduct a loss
13 from the sale of the property to, or an exchange of the property with, the related
14 person under section 267 of the Internal Revenue Code, except that section 267 of the
15 Internal Revenue Code is modified so that if the claimant owns any part of the
16 property, rather than 50 percent ownership, the claimant is subject to section 267 of
17 the Internal Revenue Code for purposes of this subsection.

18 **SECTION 2057.** 71.28 (5h) (c) 2. of the statutes is amended to read:

19 71.28 **(5h)** (c) 2. A claimant may claim the credit under par. (b) 2. for an amount
20 expended to construct, rehabilitate, remodel, or repair real property, if the claimant
21 began the physical work of construction, rehabilitation, remodeling, or repair, or any
22 demolition or destruction in preparation for the physical work, after December 31,
23 2007, ~~or if~~ and the completed project is placed in service after December 31, 2007.

24 **SECTION 2058.** 71.28 (5h) (c) 3. of the statutes is amended to read:

1 71.28 (5h) (c) 3. A claimant may claim the credit under par. (b) 2. for an amount
2 expended to acquire real property, if the property is not previously owned property
3 and if the claimant acquires the property after December 31, 2007, ~~or if~~ and the
4 completed project is placed in service after December 31, 2007.

5 **SECTION 2059.** 71.28 (5i) of the statutes is created to read:

6 71.28 (5i) ELECTRONIC MEDICAL RECORDS CREDIT. (a) *Definitions.* In this
7 subsection, "claimant" means a person who files a claim under this subsection.

8 (b) *Filing claims.* Subject to the limitations provided in this subsection, for
9 taxable years beginning after December 31, 2009, a claimant may claim as a credit
10 against the taxes imposed under s. 71.23, up to the amount of those taxes, an amount
11 equal to 50 percent of the amount the claimant paid in the taxable year for
12 information technology hardware or software that is used to maintain medical
13 records in electronic form, if the claimant is a health care provider, as defined in s.
14 146.81 (1).

15 (c) *Limitations.* 1. The maximum amount of the credits that may be claimed
16 under this subsection and ss. 71.07 (5i) and 71.47 (5i) in a taxable year is
17 \$10,000,000, as allocated under s. 560.204.

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

1 (d) *Administration.* Subsection (4) (e) to (h), as it applies to the credit under
2 sub. (4), applies to the credit under this subsection.

3 **SECTION 2060.** 71.28 (5j) of the statutes is created to read:

4 71.28 (5j) ETHANOL AND BIODIESEL FUEL PUMP CREDIT. (a) *Definitions.* In this
5 subsection:

6 1. "Biodiesel fuel" has the meaning given in s. 168.14 (2m) (a).

7 2. "Claimant" means a person who files a claim under this subsection.

8 3. "Motor vehicle fuel" has the meaning given in s. 78.005 (13).

9 (b) *Filing claims.* Subject to the limitations provided in this subsection, for
10 taxable years beginning after December 31, 2007, and before January 1, 2018, a
11 claimant may claim as a credit against the taxes imposed under s. 71.23, up to the
12 amount of the taxes, an amount that is equal to 25 percent of the amount that the
13 claimant paid in the taxable year to install or retrofit pumps located in this state that
14 dispense motor vehicle fuel consisting of at least 85 percent ethanol or at least 20
15 percent biodiesel fuel.

16 (c) *Limitations.* 1. The maximum amount of the credit that a claimant may
17 claim under this subsection in a taxable year is an amount that is equal to \$5,000 for
18 each service station for which the claimant has installed or retrofitted pumps as
19 described under par. (b).

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

1 companies, and shareholders of tax-option corporations may claim the credit in
2 proportion to their ownership interests.

3 (d) *Administration.* Subsection (4) (e) to (h), as it applies to the credit under
4 sub. (4), applies to the credit under this subsection.

5 **SECTION 2060m.** 71.28 (5k) of the statutes is created to read:

6 71.28 (5k) COMMUNITY REHABILITATION PROGRAM CREDIT. (a) *Definitions.* In this
7 subsection:

8 1. "Claimant" means a person who files a claim under this subsection.

9 2. "Community rehabilitation program" means a nonprofit entity, county,
10 municipality, or state or federal agency that directly provides, or facilitates the
11 provision of, vocational rehabilitation services to individuals who have disabilities
12 to maximize the employment opportunities, including career advancement, of such
13 individuals.

14 3. "Vocational rehabilitation services" include education, training,
15 employment, counseling, therapy, placement, and case management.

16 4. "Work" includes production, packaging, assembly, food service, custodial
17 service, clerical service, and other commercial activities that improve employment
18 opportunities for individuals who have disabilities.

19 (b) *Filing claims.* Subject to the limitations provided in this subsection, for
20 taxable years beginning after July 1, 2009, a claimant may claim as a credit against
21 the tax imposed under s. 71.23, up to the amount of those taxes, an amount equal to
22 5 percent of the amount the claimant paid in the taxable year to a community
23 rehabilitation program to perform work for the claimant's business, pursuant to a
24 contract.

1 (c) *Limitations.* 1. The maximum amount of the credit that any claimant may
2 claim under this subsection in a taxable year is \$25,000 for each community
3 rehabilitation program for which the claimant enters into a contract to have the
4 community rehabilitation program perform work for the claimant's business.

5 2. No credit may be claimed under this subsection unless the claimant submits
6 with the claimant's return a form, as prescribed by the department of revenue, that
7 verifies that the claimant has entered into a contract with a community
8 rehabilitation program and that the program has received payment from the
9 claimant for work provided by the program, consistent with par. (b).

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

18 (d) *Administration.* Subsection (4) (e) to (h), as it applies to the credit under
19 sub. (4), applies to the credit under this subsection.

20 **SECTION 2060n.** 71.30 (3) (bn) of the statutes is created to read:

21 71.30 (3) (bn) Community rehabilitation program credit under s. 71.28 (5k).

22 **SECTION 2060s.** 71.30 (3) (cn) of the statutes is created to read:

23 71.30 (3) (cn) Biodiesel fuel production credit under s. 71.28 (3h).

24 **SECTION 2062.** 71.30 (3) (ed) of the statutes is created to read:

25 71.30 (3) (ed) Ethanol and biodiesel fuel pump credit under s. 71.28 (5j).

1 **SECTION 2063.** 71.30 (3) (epa) of the statutes is created to read:

2 71.30 (3) (epa) Electronic medical records credit under s. 71.28 (5i).

3 **SECTION 2064.** 71.30 (3) (epp) of the statutes is renumbered 71.30 (3) (eps) and
4 amended to read:

5 71.30 (3) (eps) Film production services credit under s. 71.28 (5f) (b) 1. and 3.

6 **SECTION 2065.** 71.30 (3) (f) of the statutes is amended to read:

7 71.30 (3) (f) The total of farmers' drought property tax credit under s. 71.28
8 (1fd), farmland preservation credit under subch. IX, farmland tax relief credit under
9 s. 71.28 (2m), dairy manufacturing facility investment credit under s. 71.28 (3p),
10 enterprise zone jobs credit under s. 71.28 (3w), film production services credit under
11 s. 71.28 (5f) (b) 2., and estimated tax payments under s. 71.29.

12 **SECTION 2066.** 71.34 (1) (g) of the statutes is amended to read:

13 71.34 (1) (g) An addition shall be made for credits computed by a tax-option
14 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (3), (3g),
15 (3h), (3n), (3p), (3t), (3w), (5b), (5e), (5f), (5g), and (5h), (5i), (5j), and (5k) and passed
16 through to shareholders.

17 **SECTION 2067.** 71.34 (1g) (L) of the statutes is repealed.

18 **SECTION 2068.** 71.34 (1g) (m) of the statutes is repealed.

19 **SECTION 2069.** 71.34 (1g) (n) of the statutes is amended to read:

20 71.34 (1g) (n) "Internal Revenue Code" for tax-option corporations, for taxable
21 years that begin after December 31, 1998, and before January 1, 2000, means the
22 federal Internal Revenue Code as amended to December 31, 1998, excluding sections
23 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and
24 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d)
25 of P.L. 104-188, and as amended by P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.

1 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding
2 section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101, 301
3 (a), and 406 of P.L. 107-147, P.L. 107-181, P.L. 107-276, P.L. 108-121, excluding
4 section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 316, 401,
5 and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 211, 242,
6 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-7, P.L. 109-135,
7 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),
8 (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844
9 of P.L. 109-280, and as indirectly affected in the provisions applicable to this
10 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2)
11 (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008
12 (g) (5) of P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L.
13 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.
14 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),
15 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.
16 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605
17 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.
18 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.
19 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-16, excluding
20 section 431 of P.L. 107-16, P.L. 107-134, P.L. 107-147, excluding sections 101, 301
21 (a), and 406 of P.L. 107-147, P.L. 107-181, P.L. 107-276, P.L. 108-121, excluding
22 section 109 of P.L. 108-121, P.L. 108-311, excluding sections 306, 307, 308, 316, 401,
23 and 403 (a) of P.L. 108-311, and P.L. 108-357, excluding sections 101, 201, 211, 242,
24 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-7, P.L. 109-135,
25 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),

1 (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844
2 of P.L. 109-280, except that section 1366 (f) (relating to pass-through of items to
3 shareholders) is modified by substituting the tax under s. 71.35 for the taxes under
4 sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin purposes
5 at the same time as for federal purposes. Amendments to the federal Internal
6 Revenue Code enacted after December 31, 1998, do not apply to this paragraph with
7 respect to taxable years beginning after December 31, 1998, and before
8 January 1, 2000, except that changes to the Internal Revenue Code made by P.L.
9 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of
10 P.L. 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.
11 107-147, excluding sections 101, 301 (a), and 406 of P.L. 107-147, P.L. 107-181, P.L.
12 107-276, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311,
13 excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, and P.L.
14 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910
15 of P.L. 108-357, P.L. 109-7, P.L. 109-135, excluding sections 101, 105, 201 (a) as it
16 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and
17 P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and changes that
18 indirectly affect the provisions applicable to this subchapter made by P.L. 106-36,
19 P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L.
20 106-554, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-134, P.L.
21 107-147, excluding sections 101, 301 (a), and 406 of P.L. 107-147, P.L. 107-181, P.L.
22 107-276, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-311,
23 excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, and P.L.
24 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910
25 of P.L. 108-357, P.L. 109-7, P.L. 109-135, excluding sections 101, 105, 201 (a) as it

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

4 **SECTION 2070.** 71.34 (1g) (o) of the statutes is amended to read:

5 71.34 (1g) (o) "Internal Revenue Code" for tax-option corporations, for taxable
6 years that begin after December 31, 1999, and before January 1, 2003, means the
7 federal Internal Revenue Code as amended to December 31, 1999, excluding sections
8 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and
9 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d)
10 of P.L. 104-188, and as amended by P.L. 106-230, P.L. 106-554, excluding sections
11 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L.
12 107-16, P.L. 107.22, P.L. 107.116, P.L. 107-134, P.L. 107-147, excluding sections 101,
13 301 (a), and 406 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L.
14 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.
15 108-121, excluding section 109 of P.L. 108-121, P.L. 108-218, P.L. 108-311,
16 excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, and P.L.
17 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910
18 of P.L. 108-357, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310,
19 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-135,
20 excluding 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, and P.L. 109-280, excluding sections 811 and 844
22 of P.L. 109-280, and as indirectly affected in the provisions applicable to this
23 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2)
24 (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008
25 (g) (5) of P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L.

1 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.
2 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),
3 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.
4 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605
5 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.
6 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.
7 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,
8 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.
9 107-147, excluding sections 101, 301 (a), and 406 of P.L. 107-147, P.L. 107-181, P.L.
10 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and
11 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-218,
12 P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311,
13 and P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909,
14 and 910 of P.L. 108-357, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308,
15 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L.
16 109-135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402
17 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding sections
18 811 and 844 of P.L. 109-280, except that section 1366 (f) (relating to pass-through
19 of items to shareholders) is modified by substituting the tax under s. 71.35 for the
20 taxes under sections 1374 and 1375. The Internal Revenue Code applies for
21 Wisconsin purposes at the same time as for federal purposes. Amendments to the
22 federal Internal Revenue Code enacted after December 31, 1999, do not apply to this
23 paragraph with respect to taxable years beginning after December 31, 1999, and
24 before January 1, 2003, except that changes to the Internal Revenue Code made by
25 P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L.

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

1 **SECTION 2071.** 71.34 (1g) (p) of the statutes is amended to read:

2 71.34 (1g) (p) "Internal Revenue Code" for tax-option corporations, for taxable
3 years that begin after December 31, 2002, and before January 1, 2004, means the
4 federal Internal Revenue Code as amended to December 31, 2002, excluding sections
5 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and
6 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
7 104-188, P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section
8 431 of P.L. 107-16, and ~~section~~ sections 101 and 301 (a) of P.L. 107-147, and as
9 amended by P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.
10 108-121, excluding section 109 of P.L. 108-121, P.L. 108-173, excluding section 1201
11 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306,
12 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101,
13 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, and P.L. 108-375,
14 P.L. 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. 109-135, excluding sections
16 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405
17 of P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280,
18 and as indirectly affected in the provisions applicable to this subchapter by P.L.
19 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812
20 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.
21 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.
22 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.
23 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and
24 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.
25 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.

1 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.
2 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,
3 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding
4 section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147,
5 excluding ~~section~~ sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L.
6 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and
7 202 of P.L. 108-27, P.L. 108-121, excluding section 109 of P.L. 108-121, P.L. 108-173,
8 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,
9 excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,
10 excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.
11 108-357, and P.L. 108-375, P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308,
12 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L.
13 109-135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402
14 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and P.L. 109-280, excluding sections
15 811 and 844 of P.L. 109-280, except that section 1366 (f) (relating to pass-through
16 of items to shareholders) is modified by substituting the tax under s. 71.35 for the
17 taxes under sections 1374 and 1375. The Internal Revenue Code applies for
18 Wisconsin purposes at the same time as for federal purposes. Amendments to the
19 federal Internal Revenue Code enacted after December 31, 2002, do not apply to this
20 paragraph with respect to taxable years beginning after December 31, 2002, and
21 before January 1, 2004, except that changes to the Internal Revenue Code made by
22 P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121,
23 excluding section 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.
24 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308,
25 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211,

1 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, and P.L. 108-375, P.L.
2 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
3 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-135, excluding sections
4 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405
5 of P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280,
6 and changes that indirectly affect the provisions applicable to this subchapter made
7 by P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121,
8 excluding section 109 of P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.
9 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308,
10 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211,
11 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, and P.L. 108-375, P.L.
12 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
13 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-135, excluding sections
14 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405
15 of P.L. 109-135, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280,
16 apply for Wisconsin purposes at the same time as for federal purposes.

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

18 71.34 (1g) (q) "Internal Revenue Code" for tax-option corporations, for taxable
19 years that begin after December 31, 2003, and before January 1, 2005, means the
20 federal Internal Revenue Code as amended to December 31, 2003, excluding sections
21 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and
22 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
23 104-188, P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section
24 431 of P.L. 107-16, section sections 101 and 301 (a) of P.L. 107-147, sections 106, 201,
25 and 202 of P.L. 108-27, section 109 of P.L. 108-121, and section 1201 of P.L. 108-173,

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

1 excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.
2 108-357, P.L. 108-375, and P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections
3 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.
4 109-58, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding
5 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and
6 (q), and 405 of P.L. 109-135, P.L. 109-227, and P.L. 109-280, excluding sections 811
7 and 844 of P.L. 109-280, except that section 1366 (f) (relating to pass-through of
8 items to shareholders) is modified by substituting the tax under s. 71.35 for the taxes
9 under sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin
10 purposes at the same time as for federal purposes. Amendments to the federal
11 Internal Revenue Code enacted after December 31, 2003, do not apply to this
12 paragraph with respect to taxable years beginning after December 31, 2003, and
13 before January 1, 2005, except that changes to the Internal Revenue Code made by
14 P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401,
15 and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244,
16 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, P.L.
17 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
18 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301
19 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to
20 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-227,
21 and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and changes that
22 indirectly affect the provisions applicable to this subchapter made by P.L. 108-203,
23 P.L. 108-218, P.L. 108-311, excluding sections 306, 307, 308, 316, 401, and 403 (a)
24 of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337,
25 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, P.L. 109-7,

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

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

8 71.34 (1g) (r) "Internal Revenue Code" for tax-option corporations, for taxable
9 years that begin after December 31, 2004, and before January 1, 2006, means the
10 federal Internal Revenue Code as amended to December 31, 2004, excluding sections
11 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and
12 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
13 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554,
14 P.L. 106-573, section 431 of P.L. 107-16, ~~section~~ sections 101 and 301 (a) of P.L.
15 107-147, sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173,
16 sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, and sections 101, 201, 211,
17 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, and as amended by P.L.
18 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
19 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301
20 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to
21 section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151,
22 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.
23 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and as
24 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.
25 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821

1 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L.
2 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,
3 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.
4 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
5 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,
6 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.
7 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.
8 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections
9 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L.
10 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding section
11 sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276,
12 P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.
13 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L.
14 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L.
15 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847,
16 909, and 910 of P.L. 108-357, P.L. 108-375, and P.L. 108-476, P.L. 109-7, P.L.
17 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
18 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-73, excluding section 301 of P.L.
19 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it relates to section
20 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L.
21 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.
22 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, except
23 that section 1366 (f) (relating to pass-through of items to shareholders) is modified
24 by substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375.
25 The Internal Revenue Code applies for Wisconsin purposes at the same time as for

1 federal purposes. Amendments to the federal Internal Revenue Code enacted after
2 December 31, 2004, do not apply to this paragraph with respect to taxable years
3 beginning after December 31, 2004, and before January 1, 2006, except that changes
4 to the Internal Revenue Code made by P.L. 109-7, P.L. 109-58, excluding sections
5 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.
6 109-58, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding
7 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and
8 (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,
9 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280, excluding
10 sections 811 and 844 of P.L. 109-280, and changes that indirectly affect the
11 provisions applicable to this subchapter made by P.L. 109-7, P.L. 109-58, excluding
12 sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351
13 of P.L. 109-58, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135,
14 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),
15 (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections
16 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280,
17 excluding sections 811 and 844 of P.L. 109-280, apply for Wisconsin purposes at the
18 same time as for federal purposes.

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

20 71.34 (1g) (s) "Internal Revenue Code" for tax-option corporations, for taxable
21 years that begin after December 31, 2005, and before January 1, 2007, means the
22 federal Internal Revenue Code as amended to December 31, 2005, excluding sections
23 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and
24 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
25 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554,

1 P.L. 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147,
2 sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306,
3 308, 316, 401, and 403 (a) of P.L. 108-311, sections 101, 201, 211, 242, 244, 336, 337,
4 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310,
5 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of
6 P.L. 109-59, section 301 of P.L. 109-73, and sections 101, 105, 201 (a) as it relates
7 to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, and as
8 amended by P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L.
9 109-222, P.L. 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L.
10 109-280, and as indirectly affected in the provisions applicable to this subchapter
11 by P.L. 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d)
12 (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.
13 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.
14 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.
15 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and
16 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.
17 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
18 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.
19 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554,
20 excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding
21 section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147,
22 excluding sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L.
23 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L.
24 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L.
25 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403

1 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337,
2 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L.
3 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
4 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L.
5 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding
6 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and
7 (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,
8 209, 503, 512, and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280, excluding
9 sections 811 and 844 of P.L. 109-280, except that section 1366 (f) (relating to
10 pass-through of items to shareholders) is modified by substituting the tax under s.
11 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code applies
12 for Wisconsin purposes at the same time as for federal purposes. Amendments to the
13 federal Internal Revenue Code enacted after December 31, 2005, do not apply to this
14 paragraph with respect to taxable years beginning after December 31, 2005, and
15 before January 1, 2007, except that changes to the Internal Revenue Code made by
16 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.
17 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, and
18 changes that indirectly affect the provisions applicable to this subchapter made by
19 P.L. 109-222, excluding sections 101, 207, 209, 503, 512, and 513 of P.L. 109-222, P.L.
20 109-227, and P.L. 109-280, excluding sections 811 and 844 of P.L. 109-280, apply for
21 Wisconsin purposes at the same time as for federal purposes.

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

23 71.34 (1g) (t) "Internal Revenue Code" for tax-option corporations, for taxable
24 years that begin after December 31, 2006, means the federal Internal Revenue Code
25 as amended to December 31, 2006, excluding sections 103, 104, and 110 of P.L.

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

1 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L.
2 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L.
3 108-311, P.L. 108-357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847,
4 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58,
5 excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348,
6 and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L.
7 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101,
8 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of
9 P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207, 209, 503, 512,
10 and 513 of P.L. 109-222, P.L. 109-227, and P.L. 109-280, excluding sections 811 and
11 844 of P.L. 109-280, except that section 1366 (f) (relating to pass-through of items
12 to shareholders) is modified by substituting the tax under s. 71.35 for the taxes under
13 sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin purposes
14 at the same time as for federal purposes. Amendments to the federal Internal
15 Revenue Code enacted after December 31, 2006, do not apply to this paragraph with
16 respect to taxable years beginning after December 31, 2006.

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

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

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