1 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N
2 (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of
3 P.L. 110-343, and P.L. 110-458, apply for Wisconsin purposes at the same time as for
4 federal purposes.

Insert V

and before January 1, 2009

5 **SECTION 48.** 71.42 (2) (t) of the statutes is created to read:

6 71.42 **(2)** (t) For taxable years that begin after December 31, 2007, "Internal
7 Revenue Code" means the federal Internal Revenue Code as amended to
8 December 31, 2007, excluding sections 103, 104, and 110 of P.L. 102-227, sections
9 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),
10 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L.
11 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L.
12 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and 202 of P.L.
13 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403 (a) of P.L.
14 108-311, sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.
15 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
16 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301 of P.L.
17 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),
18 (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, and 513 of P.L.
19 109-222, section 844 of P.L. 109-280, sections 101, 104, 108, 109, 112, 113, 116, 118,
20 120, 123 (a), 204, 209, 302, 303, 304, 305, 307, 401, 404, 417, and 425 of P.L. 109-432,
21 sections 8212, 8221, 8233, and 8235 of P.L. 110-28, P.L. 110-140, and section 11 (b),
22 (e), and (g) of P.L. 110-172, and as amended by P.L. 110-234, excluding sections
23 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110-234, P.L. 110-245, excluding sections
24 110 and 113 of P.L. 110-245, P.L. 110-289, excluding sections 3081 and 3082 of P.L.
25 110-289, P.L. 110-317, P.L. 110-343, excluding sections 109, 201, 209, 210, 303, 306,

1 and 308 of division B of P.L. 110-343, and sections 202, 203 as it relates to taxable
2 years beginning in 2008, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1)
3 (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707,
4 708, 710, and 711 of division C of P.L. 110-343, P.L. 110-351, and P.L. 110-458, and
5 as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.
6 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections
7 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding
8 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.
9 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections
10 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.
11 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
12 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of
13 P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L.
14 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 301 (a)
15 of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,
16 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173,
17 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,
18 excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,
19 excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.
20 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections
21 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.
22 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding
23 section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it
24 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L.
25 109-151, P.L. 109-222, excluding sections 101, 207, 209, 503, and 513 of P.L.

and before January 1, 2009,

109-222, P.L. 109-227, P.L. 109-280, excluding section 844 of P.L. 109-280, P.L. 109-432, excluding sections 101, 104, 108, 109, 112, 113, 116, 118, 120, 123 (a), 204, 209, 302, 303, 304, 305, 307, 401, 404, 417, and 425 of P.L. 109-432, P.L. 110-28, excluding sections 8212, 8221, 8233, and 8235 of P.L. 110-28, P.L. 110-141, P.L. 110-142, P.L. 110-166, and P.L. 110-172, excluding section 11 (b), (e), and (g) of P.L. 110-172, except that "Internal Revenue Code" does not include section 847 of the federal Internal Revenue Code. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 2007, do not apply to this paragraph with respect to taxable years beginning after December 31, 2007, except that changes to the Internal Revenue Code made by P.L. 110-234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110-234, P.L. 110-245, excluding sections 110 and 113 of P.L. 110-245, P.L. 110-289, excluding sections 3081 and 3082 of P.L. 110-289, P.L. 110-317, P.L. 110-343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B of P.L. 110-343, and sections 202, 203 as it relates to taxable years beginning in 2008, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110-343, P.L. 110-351, and P.L. 110-458, and changes that indirectly affect the provisions applicable to this subchapter made by 110-234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110-234, P.L. 110-245, excluding sections 110 and 113 of P.L. 110-245, P.L. 110-289, excluding sections 3081 and 3082 of P.L. 110-289, P.L. 110-317, P.L. 110-343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B of P.L. 110-343, and sections 202, 203 as it relates to taxable years beginning in 2008, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the

(INSERT 154-3)

Insert L

Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110-343, P.L. 110-351, and P.L. 110-458, apply for Wisconsin purposes at the same time as for federal purposes.

SECTION 9143. Nonstatutory provisions; Revenue.

(1) INTERNAL REVENUE CODE UPDATE. Changes to the Internal Revenue Code made by Public Law 110-28, excluding sections 8212, 8221, 8233, and 8235 of Public Law 110-28, and P.L. 110-458, apply to the Internal Revenue Code definitions in chapter 71 of the statutes at the time that the changes first apply for federal tax purposes.

(END)

2009-2010 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

****NOTE: This is reconciled s.71.01 (6) (u). This SECTION has been affected by drafts with the following LRB numbers: 1211/P3 and 1214/P2.

Insert X

t

****NOTE: This is reconciled s.71.01 (6) (u). This SECTION has been affected by drafts with the following LRB numbers: 1211/P3 and 1214/P2.

Insert Y

71.22 (4) (t)

****NOTE: This is reconciled s.71.01 (6) (u). This SECTION has been affected by drafts with the following LRB numbers: 1211/P3 and 1214/P2.

Insert Z

71.22 (4m) (r)

****NOTE: This is reconciled s.71.01 (6) (u). This SECTION has been affected by drafts with the following LRB numbers: 1211/P3 and 1214/P2.

Insert T

71.26 (2) (b) 20.

****NOTE: This is reconciled s.71.01 (6) (u). This SECTION has been affected by drafts with the following LRB numbers: 1211/P3 and 1214/P2.

Insert U

71.34 (1g) (t)

****NOTE: This is reconciled s.71.01 (6) (u). This SECTION has been affected by drafts with the following LRB numbers: 1211/P3 and 1214/P2.

Insert V

71.42 (2) (s)

****NOTE: This is reconciled s.71.01 (6) (u). This SECTION has been affected by drafts with the following LRB numbers: 1211/P3 and 1214/P2.

****NOTE: This is reconciled s.71.01 (6) (u). This SECTION has been affected by drafts with the following LRB numbers: 1211/P3 and 1214/P2.

****NOTE: This is reconciled s.71.01 (6) (u). This SECTION has been affected by drafts with the following LRB numbers: 1211/P3 and 1214/P2.

2009-2010 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

Insert b

/P3 /P2

****NOTE: This is reconciled s.71.01 (6) (u). This SECTION has been affected by drafts with the following LRB numbers: 1211 and 1214.

Insert c

/P3 /P2

****NOTE: This is reconciled s.71.01 (6) (um). This SECTION has been affected by drafts with the following LRB numbers: 1211 and 1214.

Insert d

/P3 /P2

****NOTE: This is reconciled s.71.22 (4) (u). This SECTION has been affected by drafts with the following LRB numbers: 1211 and 1214.

Insert e

/P3 /P2

****NOTE: This is reconciled s.71.22 (4) (um). This SECTION has been affected by drafts with the following LRB numbers: 1211 and 1214.

Insert f

/P3 /P2

****NOTE: This is reconciled s.71.22 (4m) (s). This SECTION has been affected by drafts with the following LRB numbers: 1211 and 1214.

Insert g

/P3 /P2

****NOTE: This is reconciled s.71.22 (4m) (sm). This SECTION has been affected by drafts with the following LRB numbers: 1211 and 1214.

Insert h

/P3 /P2

****NOTE: This is reconciled s.71.26 (2) (b) 21. This SECTION has been affected by drafts with the following LRB numbers: 1211 and 1214.

Insert i

/P3 /P2

****NOTE: This is reconciled s.71.26 (2) (b) 22. This SECTION has been affected by drafts with the following LRB numbers: 1211 and 1214.

Insert j

/P3 /P2

****NOTE: This is reconciled s.71.34 (1g) (u). This SECTION has been affected by drafts with the following LRB numbers: 1211 and 1214.

Insert k

/P3 /P2

****NOTE: This is reconciled s.71.34 (1g) (um). This SECTION has been affected by drafts with the following LRB numbers: 1211 and 1214.

Insert L

/P3 /P2

****NOTE: This is reconciled s.71.42 (2) (t). This SECTION has been affected by drafts with the following LRB numbers: 1211 and 1214.

Insert m

/P3 /P2

****NOTE: This is reconciled s.71.42 (2) (tm). This SECTION has been affected by drafts with the following LRB numbers: 1211 and 1214.

DOA:.....Lillethun, BB0284 – Qualified production activities deduction

FOR 2009–11 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT ...; **relating to:** the budget.

Analysis by the Legislative Reference Bureau

TAXATION

INCOME TAXATION

Under current law, the state adopts certain provisions of the federal Internal Revenue Code (IRC), and does not adopt other IRC provisions, for state income and franchise tax purposes. Under federal law, a business may deduct from its taxable income a percentage of income derived from qualified domestic production activities, regardless of whether those activities occurred in this state. The percentage of income derived from such activities that a business may claim as a deduction is 3 percent in 2005 and 2006, 6 percent in 2007, 2008, and 2009, and 9 percent for 2010 and subsequent years.

Under this bill, the increased deduction for qualified domestic production activities does not apply for state income and franchise tax purposes for taxable years beginning on or after January 1, 2009.

INSERT A

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

INSERT 22-22 sec# cr; 71.01 (6) (um)

(um) 2008

71.01 **(6)** (u) For taxable years that begin after December 31, 2007, for natural persons and fiduciaries, except fiduciaries of nuclear decommissioning trust or reserve funds, "Internal Revenue Code" means the federal Internal Revenue Code as amended to December 31, 2007, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, sections 1, 3, 4, and 5 of P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, sections 101 and 301 (a) of P.L. 107–147, sections 106, 201, and 202 of P.L. 108–27, section 1201 of P.L. 108–173, sections 306, 308, 316, 401, and 403 (a) of P.L. 108–311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 109–1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, section 11146 of P.L. 109–59, section 301 of P.L. 109–73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, sections 101, 207, 209, 503, and 513 of P.L. 109–222, section 844 of P.L. 109–280, sections 101, 104, 108, 109, 112, 113, 116, 118, 120, 123 (a), 204, 209, 302, 303, 304, 305, 307, 401, 404, 417, and 425 of P.L. 109–432, sections 8212, 8221, 8233, and 8235 of P.L. 110–28, P.L. 110–140, and section 11 (b), (e), and (g) of P.L. 110–172, and as amended by P.L. 110–234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, P.L. 110–317, P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B of P.L. 110–343, and sections 202, 203 as it relates to taxable years beginning in 2008, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, P.L. 110–351, and P.L. 110–458, and

as indirectly affected by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–280, P.L. 101–508, P.L. 102–90, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–117, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 108–375, P.L. 108–476, P.L. 109–7, P.L. 109–58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, P.L. 109–59, excluding section 11146 of P.L. 109–59, P.L. 109–73, excluding section 301 of P.L. 109–73, P.L. 109–135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, P.L. 109–151, P.L. 109–222, excluding sections 101, 207, 209, 503, and 513 of P.L. 109–222, P.L. 109–227, P.L. 109–280, excluding section 844 of P.L. 109–280, P.L. 109–432, excluding sections 101, 104, 108, 109, 112, 113, 116, 118, 120, 123 (a), 204, 209, 302, 303, 304, 305, 307, 401, 404, 417, and 425 of P.L. 109–432, P.L. 110–28, excluding sections 8212, 8221, 8233, and 8235 of P.L.

102

110–28, P.L. 110–141, P.L. 110–142, P.L. 110–166, and P.L. 110–172, excluding section 11 (b), (e), and (g) of P.L. 110–172. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 2007, do not apply to this paragraph with respect to taxable years beginning after December 31, 2007, except that changes to the Internal Revenue Code made by P.L. 110–234, excluding sections 15344 and15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, P.L. 110–317, P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B, and sections 202, 203 as it relates to taxable years beginning in 2008, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, P.L. 110–351, and P.L. 110–458, and changes that indirectly affect the provisions applicable to this subchapter made by 110–234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, P.L. 110–317, P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B of P.L. 110–343, and sections 202, 203 as it relates to taxable years beginning in 2008, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, P.L. 110–351, and P.L. 110–458, apply for Wisconsin purposes at the same time as for federal purposes.

Insert C

SECTION 9. 71.22 (4) (n) of the statutes is repealed.

SECTION 10. 71.22 (4) (o) of the statutes is amended to read:

1 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L.
2 108–173, P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 308, 316,
3 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 102, 201, 211,
4 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 108–375, P.L. 108–476,
5 P.L. 109–7, P.L. 109–58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
6 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, P.L. 109–59, excluding section 11146
7 of P.L. 109–59, P.L. 109–73, excluding section 301 of P.L. 109–73, P.L. 109–135,
8 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),
9 (j), and (q), and 405 of P.L. 109–135, P.L. 109–151, P.L. 109–222, excluding sections
10 101, 207, 209, 503, 512, and 513 of P.L. 109–222, P.L. 109–227, and P.L. 109–280,
11 excluding sections 811 and 844 of P.L. 109–280. 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, 2006, do not apply to this
14 paragraph with respect to taxable years beginning after December 31, 2008.

15 **SECTION 3.** 71.05 (6) (a) 21. of the statutes is amended to read:

16 71.05 **(6)** (a) 21. ~~Any~~ For taxable years beginning after December 31, 2007, and
17 before January 1, 2009, any amount deducted as income attributable to domestic
18 production activities under section 199 of the Internal Revenue Code if the
19 individual claiming the deduction is a nonresident or part–year resident of this state
20 and if the domestic production activities income is not attributable to a trade or
21 business that is taxable by this state.

INSERT 22-22 continued

22 **SECTION 4.** 71.05 (6) (a) 22. of the statutes is amended to read:

23 71.05 **(6)** (a) 22. ~~If~~ For taxable years beginning after December 31, 2007, and
24 before January 1, 2009, if an individual is a nonresident or part–year resident of this
25 state and a portion of the amount the individual deducted as income attributable to

INSERT 22-22

1 domestic production activities under section 199 of the Internal Revenue Code is
2 attributable to a trade or business that is taxable by this state, the amount deducted
3 under section 199 for federal income tax purposes and in excess of that amount,
4 multiplied by a fraction, the numerator of which is the individual's net earnings from
5 the trade or business that is taxable by this state and the denominator of which is
6 the individual's total net earnings from the trade or business to which the deduction
7 under section 199 of the Internal Revenue Code applies.

8 **SECTION 5.** 71.22 (4) (t) of the statutes is amended to read:

9 71.22 **(4)** (t) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34
10 (1g), and 71.42 (2), "Internal Revenue Code," for taxable years that begin after
11 December 31, 2006, <u>and before January 1, 2009,</u> means the federal Internal Revenue
12 Code as amended to December 31, 2006, excluding sections 103, 104, and 110 of P.L.
13 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66,
14 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, sections 1, 3,
15 4, and 5 of P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section
16 431 of P.L. 107–16, sections 101 and 301 (a) of P.L. 107–147, sections 106, 201, and
17 202 of P.L. 108–27, section 1201 of P.L. 108–173, sections 306, 308, 316, 401, and 403
18 (a) of P.L. 108–311, sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910
19 of P.L. 108–357, P.L. 109–1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326,
20 1328, 1329, 1348, and 1351 of P.L. 109–58, section 11146 of P.L. 109–59, section 301
21 of P.L. 109–73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403
22 (e), (j), and (q), and 405 of P.L. 109–135, sections 101, 207, 209, 503, 512, and 513 of
23 P.L. 109–222, sections 811 and 844 of P.L. 109–280, and P.L. 109–432, 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

INSERT 43-24

2008 Sec # u) 71.22 (4)(um)

(um)

71.22 **(4)** (u) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34 (1g), and 71.42 (2), "Internal Revenue Code," for taxable years that begin after December 31, 2007, means the federal Internal Revenue Code as amended to December 31, 2007, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, sections 1, 3, 4, and 5 of P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, sections 101 and 301 (a) of P.L. 107–147, sections 106, 201, and 202 of P.L. 108–27, section 1201 of P.L. 108–173, sections 306, 308, 316, 401, and 403 (a) of P.L. 108–311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 109–1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, section 11146 of P.L. 109–59, section 301 of P.L. 109–73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, sections 101, 207, 209, 503, and 513 of P.L. 109–222, section 844 of P.L. 109–280, sections 101, 104, 108, 109, 112, 113, 116, 118, 120, 123 (a), 204, 209, 302, 303, 304, 305, 307, 401, 404, 417, and 425 of P.L. 109–432, sections 8212, 8221, 8233, and 8235 of P.L. 110–28, P.L. 110–140, and section 11 (b), (e), and (g) of P.L. 110–172, and as amended by P.L. 110–234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, P.L. 110–317, P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B of P.L. 110–343, and sections 202, 203 as it relates to taxable years beginning in 2008, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, P.L. 110–351, and P.L. 110–458, and

as indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99–514 and section 1008 (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. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 108–375, P.L. 108–476, P.L. 109–7, P.L. 109–58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, P.L. 109–59, excluding section 11146 of P.L. 109–59, P.L. 109–73, excluding section 301 of P.L. 109–73, P.L. 109–135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, P.L. 109–151, P.L. 109–222, excluding sections 101, 207, 209, 503, and 513 of P.L. 109–222, P.L. 109–227, P.L. 109–280, excluding section 844 of P.L. 109–280, P.L. 109–432, excluding sections 101, 104, 108, 109, 112, 113, 116, 118, 120,

123 (a), 204, 209, 302, 303, 304, 305, 307, 401, 404, 417, and 425 of P.L. 109–432, P.L. 110–28, excluding sections 8212, 8221, 8233, and 8235 of P.L. 110–28, P.L. 110–141, P.L. 110–142, P.L. 110–166, and P.L. 110–172, excluding section 11 (b), (e), and (g) of P.L. 110–172. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 2007, do not apply to this paragraph with respect to taxable years beginning after December 31, 2007, except that changes to the Internal Revenue Code made by P.L. 110–234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, P.L. 110–317, P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B, and sections 202, 203 as it relates to taxable years beginning in 2008, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, P.L. 110–351, and P.L. 110–458, and changes that indirectly affect the provisions applicable to this subchapter made by 110–234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, P.L. 110–317, P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B of P.L. 110–343, and sections 202, 203 as it relates to taxable years beginning in 2008, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, P.L. 110–351, and P.L. 110–458, apply for Wisconsin purposes at the same time as for federal purposes.

SECTION 17. 71.22 (4m) (L) of the statutes is repealed.

Insert e

end of 43-24

Insert 64-12

1 section 11 (b), (e), and (g) of P.L. 110–172, P.L. 110–234, excluding sections 15344 and
2 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and
3 113 of P.L. 110–245, and P.L. 110–289, excluding sections 3081 and 3082 of P.L.
4 110–289, and changes that indirectly affect the provisions applicable to this
5 subchapter made by P.L. 110–28, excluding sections 8212, 8221, 8233, and 8235 of
6 P.L. 110–28, P.L. 110–141, P.L. 110–142, P.L. 110–166, P.L. 110–172, excluding
7 section 11 (b), (e), and (g) of P.L. 110–172, P.L. 110–234, excluding sections 15344 and
8 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and
9 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289,
10 and P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division
11 B, and sections 202, 203, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1)
12 (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707,
13 708, 710, and 711 of division C of P.L. 110–343, and P.L. 110–458, apply for Wisconsin
14 purposes at the same time as for federal purposes.

15 **SECTION 24.** 71.22 (4m) (s) of the statutes is created to read:

16 71.22 **(4m)** (s) For taxable years that begin after December 31, 2007, "Internal
17 Revenue Code," for corporations that are subject to a tax on unrelated business
18 income under s. 71.26 (1) (a), means the federal Internal Revenue Code as amended
19 to December 31, 2007, excluding sections 103, 104, and 110 of P.L. 102–227, sections
20 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b),
21 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, sections 1, 3, 4, and 5 of P.L.
22 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L.
23 107–16, sections 101 and 301 (a) of P.L. 107–147, sections 106, 201, and 202 of P.L.
24 108–27, section 1201 of P.L. 108–173, sections 306, 308, 316, 401, and 403 (a) of P.L.
25 108–311, sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.

(sm) (sm) 2008 102

108–357, P.L. 109–1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, section 11146 of P.L. 109–59, section 301 of P.L. 109–73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, sections 101, 207, 209, 503, and 513 of P.L. 109–222, section 844 of P.L. 109–280, sections 101, 104, 108, 109, 112, 113, 116, 118, 120, 123 (a), 204, 209, 302, 303, 304, 305, 307, 401, 404, 417, and 425 of P.L. 109–432, sections 8212, 8221, 8233, and 8235 of P.L. 110–28, P.L. 110–140, and section 11 (b), (e), and (g) of P.L. 110–172, and as amended by P.L. 110–234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, P.L. 110–317, P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B of P.L. 110–343, and sections 202, 203 as it relates to taxable years beginning in 2008, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, P.L. 110–351, and P.L. 110–458, and as indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L.

107–147, excluding sections 101 and 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 108–375, P.L. 108–476, P.L. 109–7, P.L. 109–58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, P.L. 109–59, excluding section 11146 of P.L. 109–59, P.L. 109–73, excluding section 301 of P.L. 109–73, P.L. 109–135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, P.L. 109–151, P.L. 109–222, excluding sections 101, 207, 209, 503, and 513 of P.L. 109–222, P.L. 109–227,and P.L. 109–280, excluding section 844 of P.L. 109–280, P.L. 109–432, excluding sections 101, 104, 108, 109, 112, 113, 116, 118, 120, 123 (a), 204, 209, 302, 303, 304, 305, 307, 401, 404, 417, and 425 of P.L. 109–432, P.L. 110–28, excluding sections 8212, 8221, 8233, and 8235 of P.L. 110–28, P.L. 110–141, P.L. 110–142, P.L. 110–166, and P.L. 110–172, excluding section 11 (b), (e), and (g) of P.L. 110–172. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the Internal Revenue Code enacted after December 31, 2007, do not apply to this paragraph with respect to taxable years beginning after December 31, 2007, except that changes to the Internal Revenue Code made by P.L. 110–234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, and P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B, and sections 202, 203 as it relates to taxable years beginning in 2008,

305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, P.L. 110–351, and P.L. 110–458, and changes that indirectly affect the provisions applicable to this subchapter made by 110–234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, P.L. 110–317, P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B of P.L. 110–343, and sections 202, 203 as it relates to taxable years beginning in 2008, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, P.L. 110–351, and P.L. 110–458, apply for Wisconsin purposes at the same time as for federal purposes.

Insert 9

SECTION 25. ~~71.26 (2) (b) 14. of the~~ statutes is repealed.

SECTION 26. 71.26 (2) (b) 15. of the statutes is amended to read:

71.26 **(2)** (b) 15. For taxable years that begin after December 31, 1999, and before January 1, 2003, for a corporation, conduit or common law trust which qualifies as a regulated investment company, real estate mortgage investment conduit, real estate investment trust or financial asset securitization investment trust under the Internal Revenue Code as amended to December 31, 1999, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as amended by P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101, 301 (a), and 406 of P.L. 107–147, P.L. 107–181, P.L. 107–210, P.L.

end of 64–12

INSERT 112-5

sections 110 and 113 of P.L. 110–245, and P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 110–28, excluding sections 8212, 8221, 8233, and 8235 of P.L. 110–28, P.L. 110–141, P.L. 110–142, P.L. 110–166, P.L. 110–172, excluding section 11 (b), (e), and (g) of P.L. 110–172, P.L. 110–234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B, and sections 202, 203, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, and P.L. 110–458, apply for Wisconsin purposes at the same time as for federal purposes.

SECTION 32. 71.26 (2) (b) 21. of the statutes is created to read:

71.26 **(2)** (b) 21. For taxable years that begin after December 31, 2007, for a corporation, conduit, or common law trust which qualifies as a regulated investment company, real estate mortgage investment conduit, real estate investment trust, or financial asset securitization investment trust under the Internal Revenue Code as amended to December 31, 2007, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, sections 1, 3, 4, and 5 of P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, sections 101 and 301 (a) of P.L. 107–147, sections 106, 201, and 202 of P.L. 108–27, section 1201 of P.L. 108–173, sections 306, 308, 316, 401, and 403 (a) of P.L. 108–311, sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 109–1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,

1329, 1348, and 1351 of P.L. 109–58, section 11146 of P.L. 109–59, section 301 of P.L. 109–73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, sections 101, 207, 209, 503, and 513 of P.L. 109–222, section 844 of P.L. 109–280, sections 101, 104, 108, 109, 112, 113, 116, 118, 120, 123 (a), 204, 209, 302, 303, 304, 305, 307, 401, 404, 417, and 425 of P.L. 109–432, sections 8212, 8221, 8233, and 8235 of P.L. 110–28, P.L. 110–140, and section 11 (b), (e), and (g) of P.L. 110–172, and as amended by P.L. 110–234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, P.L. 110–317, P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B of P.L. 110–343, and sections 202, 203 as it relates to taxable years beginning in 2008, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, P.L. 110–351, and P.L. 110–458, and as indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 108–375, P.L. 108–476, P.L. 109–7, P.L. 109–58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, P.L. 109–59, excluding section 11146 of P.L. 109–59, P.L. 109–73, excluding section 301 of P.L. 109–73, P.L. 109–135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, P.L. 109–151, P.L. 109–222, excluding sections 101, 207, 209, 503, and 513 of P.L. 109–222, P.L. 109–227, P.L. 109–280, excluding section 844 of P.L. 109–280, P.L. 109–432, excluding sections 101, 104, 108, 109, 112, 113, 116, 118, 120, 123 (a), 204, 209, 302, 303, 304, 305, 307, 401, 404, 417, and 425 of P.L. 109–432, P.L. 110–28, excluding sections 8212, 8221, 8233, and 8235 of P.L. 110–28, P.L. 110–141, P.L. 110–142, P.L. 110–166, and P.L. 110–172, excluding section 11 (b), (e), and (g) of P.L. 110–172, "net income" means the federal regulated investment company taxable income, federal real estate mortgage investment conduit taxable income, federal real estate investment trust or financial asset securitization investment trust taxable income of the corporation, conduit, or trust as determined under the Internal Revenue Code as amended to December 31, 2007, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, sections 1, 3, 4, and 5 of P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, sections 101 and 301 (a) of P.L. 107–147, sections 106, 201, and 202 of P.L. 108–27, section 1201 of P.L. 108–173,

1 sections 306, 308, 316, 401, and 403 (a) of P.L. 108–311, sections 101, 201, 211, 242,
2 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 109–1, sections 1305, 1308,
3 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58,
4 section 11146 of P.L. 109–59, section 301 of P.L. 109–73, sections 101, 105, 201 (a) as
5 it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135,
6 sections 101, 207, 209, 503, and 513 of P.L. 109–222, section 844 of P.L. 109–280,
7 sections 101, 104, 108, 109, 112, 113, 116, 118, 120, 123 (a), 204, 209, 302, 303, 304,
8 305, 307, 401, 404, 417, and 425 of P.L. 109–432, sections 8212, 8221, 8233, and 8235
9 of P.L. 110–28, P.L. 110–140, and section 11 (b), (e), and (g) of P.L. 110–172, and as
10 indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L.
11 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L.
12 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L.
13 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),
14 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.
15 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605
16 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L.
17 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L.
18 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16,
19 excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L.
20 107–147, excluding sections 101 and 301 (a) of P.L. 107–147, P.L. 107–181, P.L.
21 107–210, P.L. 107–276, P.L. 107–358, P.L. 108–27, excluding sections 106, 201, and
22 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L.
23 108–173, P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 308, 316,
24 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 211, 242,
25 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 108–375, P.L. 108–476, P.L.

109–7, P.L. 109–58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, P.L. 109–59, excluding section 11146 of P.L. 109–59, P.L. 109–73, excluding section 301 of P.L. 109–73, P.L. 109–135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, P.L. 109–151, P.L. 109–222, excluding sections 101, 207, 209, 503, and 513 of P.L. 109–222, P.L. 109–227, P.L. 109–280, excluding section 844 of P.L. 109–280, P.L. 109–432, excluding sections 101, 104, 108, 109, 112, 113, 116, 118, 120, 123 (a), 204, 209, 302, 303, 304, 305, 307, 401, 404, 417, and 425 of P.L. 109–432, P.L. 110–28, excluding sections 8212, 8221, 8233, and 8235 of P.L. 110–28, P.L. 110–141, P.L. 110–142, P.L. 110–166, and P.L. 110–172, except that property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated for taxable years 1983 to 1986 under the Internal Revenue Code as amended to December 31, 1980, shall continue to be depreciated under the Internal Revenue Code as amended to December 31, 1980, and except that the appropriate amount shall be added or subtracted to reflect differences between the depreciation or adjusted basis for federal income tax purposes and the depreciation or adjusted basis under this chapter of any property disposed of during the taxable year. The Internal Revenue Code as amended to December 31, 2007, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, sections 1, 3, 4, and 5 of P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, sections 101 and 301 (a) of P.L. 107–147, sections 106, 201, and 202 of P.L. 108–27, section 1201 of P.L. 108–173, sections 306, 308, 316, 401, and 403 (a) of P.L. 108–311, sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 109–1, sections 1305, 1308, 1309, 1310, 1323, 1324,

1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, section 11146 of P.L. 109–59, section 301 of P.L. 109–73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, sections 101, 207, 209, 503, and 513 of P.L. 109–222, section 844 of P.L. 109–280, sections 101, 104, 108, 109, 112, 113, 116, 118, 120, 123 (a), 204, 209, 302, 303, 304, 305, 307, 401, 404, 417, and 425 of P.L. 109–432, sections 8212, 8221, 8233, and 8235 of P.L. 110–28, P.L. 110–140, and section 11 (b), (e), and (g) of P.L. 110–172, and as indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 108–375, P.L. 108–476, P.L. 109–7, P.L. 109–58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, P.L. 109–59, excluding section 11146 of P.L. 109–59, P.L.

109–73, excluding section 301 of P.L. 109–73, P.L. 109–135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, P.L. 109–151, P.L. 109–222, excluding sections 101, 207, 209, 503, and 513 of P.L. 109–222, P.L. 109–227, P.L. 109–280, excluding section 844 of P.L. 109–280, P.L. 109–432, excluding sections 101, 104, 108, 109, 112, 113, 116, 118, 120, 123 (a), 204, 209, 302, 303, 304, 305, 307, 401, 404, 417, and 425 of P.L. 109–432, P.L. 110–28, excluding sections 8212, 8221, 8233, and 8235 of P.L. 110–28, P.L. 110–141, P.L. 110–142, P.L. 110–166, and P.L. 110–172, excluding section 11 (b), (e), and (g) of P.L. 110–172, applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the Internal Revenue Code enacted after December 31, 2007, do not apply to this subdivision with respect to taxable years that begin after December 31, 2007, except that changes to the Internal Revenue Code made by P.L. 110–234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, and P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B, and sections 202, 203 as it relates to taxable years beginning in 2008, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, P.L. 110–351, and P.L. 110–458, and changes that indirectly affect the provisions applicable to this subchapter made by 110–234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, P.L. 110–317, P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B of P.L. 110–343, and sections 202, 203 as it relates to taxable years beginning in 2008, 305,

Insert i

311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, P.L. 110–351, and P.L. 110–458, apply for Wisconsin purposes at the same time as for federal purposes apply for Wisconsin purposes at the same time as for federal purposes.

~~**SECTION 33.** 71.34 (1g) (n) of the statutes is repealed.~~

SECTION 34. 71.34 (1g) (o) of the statutes is amended to read:

71.34 **(1g)** (o) "Internal Revenue Code" for tax–option corporations, for taxable years that begin after December 31, 1999, and before January 1, 2003, means the federal Internal Revenue Code as amended to December 31, 1999, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as amended by P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107.22, P.L. 107.116, P.L. 107–134, P.L. 107–147, excluding sections 101, 301 (a), 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, excluding section 109 of P.L. 108–121, P.L. 108–218, P.L. 108–311, excluding sections 306, 307, 308, 316, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 109–7, P.L. 109–58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, P.L. 109–135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, ~~and~~ P.L. 109–280, excluding sections 811 and 844 of P.L. 109–280, P.L. 110–28, excluding sections 8212, 8221, 8233, and 8235 of P.L. 110–28,

Insert 133-15

311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, and P.L. 110–458, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 110–28, excluding sections 8212, 8221, 8233, and 8235 of P.L. 110–28, P.L. 110–141, P.L. 110–142, P.L. 110–166, P.L. 110–172, excluding section 11 (b), (e), and (g) of P.L. 110–172, P.L. 110–234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B, and sections 202, 203, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, and P.L. 110–458, apply for Wisconsin purposes at the same time as for federal purposes.

SECTION 40. 71.34 (1g) (u) of the statutes is created to read:

(um)

2008

71.34 **(1g)** (u) "Internal Revenue Code" for tax–option corporations, for taxable years that begin after December 31, 2007, means the federal Internal Revenue Code as amended to December 31, 2007, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, sections 1, 3, 4, and 5 of P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, sections 101 and 301 (a) of P.L. 107–147, sections 106, 201, and 202 of P.L. 108–27, section 1201 of P.L. 108–173, sections 306, 308, 316, 401, and 403 (a) of P.L. 108–311, sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 109–1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, section 11146 of P.L. 109–59, section 301

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of P.L. 109–73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, sections 101, 207, 209, 503, and 513 of P.L. 109–222, section 844 of P.L. 109–280, sections 101, 104, 108, 109, 112, 113, 116, 118, 120, 123 (a), 204, 209, 302, 303, 304, 305, 307, 401, 404, 417, and 425 of P.L. 109–432, sections 8212, 8221, 8233, and 8235 of P.L. 110–28, P.L. 110–140, and section 11 (b), (e), and (g) of P.L. 110–172, and as amended by P.L. 110–234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, P.L. 110–317, P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B of P.L. 110–343, and sections 202, 203 as it relates to taxable years beginning in 2008, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, P.L. 110–351, and P.L. 110–458, and as indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99–514 and section 1008 (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. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections

101 and 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 108–375, P.L. 108–476, P.L. 109–7, P.L. 109–58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, P.L. 109–59, excluding section 11146 of P.L. 109–59, P.L. 109–73, excluding section 301 of P.L. 109–73, P.L. 109–135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, P.L. 109–151, P.L. 109–222, excluding sections 101, 207, 209, 503, and 513 of P.L. 109–222, P.L. 109–227, P.L. 109–280, excluding section 844 of P.L. 109–280, P.L. 109–432, excluding sections 101, 104, 108, 109, 112, 113, 116, 118, 120, 123 (a), 204, 209, 302, 303, 304, 305, 307, 401, 404, 417, and 425 of P.L. 109–432, P.L. 110–28, excluding sections 8212, 8221, 8233, and 8235 of P.L. 110–28, P.L. 110–141, P.L. 110–142, P.L. 110–166, and P.L. 110–172, excluding section 11 (b), (e), and (g) of P.L. 110–172, except that section 1366 (f) (relating to pass–through of items to shareholders) is modified by substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 2007, do not apply to this paragraph with respect to taxable years beginning after December 31, 2007, except that changes to the Internal Revenue Code made by P.L. 110–234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289,

P.L. 110–317, P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B of P.L. 110–343, and sections 202, 203 as it relates to taxable years beginning in 2008, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, P.L. 110–351, and P.L. 110–458, and changes that indirectly affect the provisions applicable to this subchapter made by 110–234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, P.L. 110–317, P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B of P.L. 110–343, and sections 202, 203 as it relates to taxable years beginning in 2008, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, P.L. 110–351, and P.L. 110–458, apply for Wisconsin purposes at the same time as for federal purposes.

Insert K

SECTION 41. 71.42 (2) (m) of the statutes is repealed.

SECTION 42. 71.42 (2) (n) of the statutes is amended to read:

71.42 **(2)** (n) For taxable years that begin after December 31, 1999, and before January 1, 2003, "Internal Revenue Code" means the federal Internal Revenue Code as amended to December 31, 1999, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and as amended by P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101, 301 (a), and 406 of

end of 133-15

312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, and P.L. 110–458, apply for Wisconsin purposes at the same time as for federal purposes.

SECTION 48. 71.42 (2) (t) of the statutes is created to read:

71.42 **(2)** (t) For taxable years that begin after December 31, 2007, "Internal Revenue Code" means the federal Internal Revenue Code as amended to December 31, 2007, excluding sections 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, sections 1, 3, 4, and 5 of P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section 431 of P.L. 107–16, sections 101 and 301 (a) of P.L. 107–147, sections 106, 201, and 202 of P.L. 108–27, section 1201 of P.L. 108–173, sections 306, 308, 316, 401, and 403 (a) of P.L. 108–311, sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 109–1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, section 11146 of P.L. 109–59, section 301 of P.L. 109–73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, sections 101, 207, 209, 503, and 513 of P.L. 109–222, section 844 of P.L. 109–280, sections 101, 104, 108, 109, 112, 113, 116, 118, 120, 123 (a), 204, 209, 302, 303, 304, 305, 307, 401, 404, 417, and 425 of P.L. 109–432, sections 8212, 8221, 8233, and 8235 of P.L. 110–28, P.L. 110–140, and section 11 (b), (e), and (g) of P.L. 110–172, and as amended by P.L. 110–234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, P.L. 110–317, P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306,

and 308 of division B of P.L. 110–343, and sections 202, 203 as it relates to taxable years beginning in 2008, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, P.L. 110–351, and P.L. 110–458, and as indirectly affected by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L. 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and 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. 108–27, excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173, excluding section 1201 of P.L. 108–173, P.L. 108–203, P.L. 108–218, P.L. 108–311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108–311, P.L. 108–357, excluding sections 101, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L. 108–375, P.L. 108–476, P.L. 109–7, P.L. 109–58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, P.L. 109–59, excluding section 11146 of P.L. 109–59, P.L. 109–73, excluding section 301 of P.L. 109–73, P.L. 109–135, excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, P.L. 109–151, P.L. 109–222, excluding sections 101, 207, 209, 503, and 513 of P.L.

102,

109–222, P.L. 109–227, P.L. 109–280, excluding section 844 of P.L. 109–280, P.L. 109–432, excluding sections 101, 104, 108, 109, 112, 113, 116, 118, 120, 123 (a), 204, 209, 302, 303, 304, 305, 307, 401, 404, 417, and 425 of P.L. 109–432, P.L. 110–28, excluding sections 8212, 8221, 8233, and 8235 of P.L. 110–28, P.L. 110–141, P.L. 110–142, P.L. 110–166, and P.L. 110–172, excluding section 11 (b), (e), and (g) of P.L. 110–172, except that "Internal Revenue Code" does not include section 847 of the federal Internal Revenue Code. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 2007, do not apply to this paragraph with respect to taxable years beginning after December 31, 2007, except that changes to the Internal Revenue Code made by P.L. 110–234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, P.L. 110–317, P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B of P.L. 110–343, and sections 202, 203 as it relates to taxable years beginning in 2008, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L. 110–343, P.L. 110–351, and P.L. 110–458, and changes that indirectly affect the provisions applicable to this subchapter made by 110–234, excluding sections 15344 and 15345 (a) (1) to (3) and (6) of P.L. 110–234, P.L. 110–245, excluding sections 110 and 113 of P.L. 110–245, P.L. 110–289, excluding sections 3081 and 3082 of P.L. 110–289, P.L. 110–317, P.L. 110–343, excluding sections 109, 201, 209, 210, 303, 306, and 308 of division B of P.L. 110–343, and sections 202, 203 as it relates to taxable years beginning in 2008, 305, 311, 312, 315, 317, 318, 502 (a) and (b), 505, 702 (a) (1) (A) as it relates to section 1400N (k) of the

1 Internal Revenue Code, 702 (d) (6), 707, 708, 710, and 711 of division C of P.L.
2 110–343, P.L. 110–351, and P.L. 110–458, apply for Wisconsin purposes at the same
3 time as for federal purposes.

4 **SECTION 9143. Nonstatutory provisions; Revenue.**

5 (1) INTERNAL REVENUE CODE UPDATE. Changes to the Internal Revenue Code
6 made by Public Law 110–28, excluding sections 8212, 8221, 8233, and 8235 of Public
7 Law 110–28, and P.L. 110–458, apply to the Internal Revenue Code definitions in
8 chapter 71 of the statutes at the time that the changes first apply for federal tax
9 purposes.

10 **(END)**

Insert m

end of 154-3

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1211/P4dn
JK:wlj:jf

This draft reconciles LRB-1211/P3 and LRB-1214/P2. LRB-1214 should be dropped from the compile.

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DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1211/P4dn
JK:wlj:ph

January 30, 2009

This draft reconciles LRB-1211/P3 and LRB-1214/P2. LRB-1214 should be dropped from the compile.

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2009-11 LRB Draft Review

Date: January 30, 2009

LRB Number: 1211/P3

Reviewed by: Marcy Stock
Axel Candelaria

Brief Description of LRB Draft:

Updates the references to the Internal Revenue Code for Wisconsin

Comments on Draft:

See changes below.

Changes Needed & Why:
Include page and line references if appropriate. Example: page 2, line 4-5 – omit the phrase "with respect to a product under s.77.51 (3) (a)..." and replace with the phrase "all products used in a manner consistent with..."

Execute revisions instructed in previous memo:

Page 112, lines 3-5. Correct the last clause of the sentence. You have the last clause of the sentence repeated twice.

Page 109, Line 10 – Correct reference to Public Law 110-172 so that it reads,

"P.L. 110–172, excluding section 11 (b), (e), and (g) of P.L. 110–172"

2009-11 LRB Draft Review

Date: February 4, 2009

LRB Number: 1211/P5

Reviewed by: Marcy Stock
Axel Candelaria

Brief Description of LRB Draft:

This draft updates the references to the Internal Revenue Code to provide that for taxable years beginning after December 31, 2009, reference is to the IRC as of December 31, 2008. This draft also provides an exception to the IRC for the domestic production activities deduction.

Comments on Draft:
Indicate whether draft will accomplish intent, or if not, why not

Numerous changes are needed. See below.

Changes Needed & Why:
Include page and line references if appropriate. Example: page 2, line 4-5 – omit the phrase "with respect to a product under s.77.51 (3) (a)..." and replace with the phrase "all products used in a manner consistent with..."

- Page 23, line 23 – Delete "and" at the end of the line.
- Page 24, line 1 – After P.L. 110-172, insert P.L. 110-185, . (This section is listing exceptions to the IRC as amended to December 31, 2008. P.L. 110-185 was enacted in 2008 and should be listed as an exception.)
- Page 24, line 1 – Delete "and as amended by P.L. 110-234, excluding". (These changes and those that follow are needed as they were not amendments to the IRC and only the exclusions need to be listed.)
- Page 24, line 2 – Delete "P.L. 110-245, excluding".
- Page 24, line 3 – Delete "P.L. 110-289, excluding".
- Page 24, line 4 – Delete " P.L. 110-317, P.L. 110-343, excluding".

- Page 24, line 8 – Delete " P.L. 110-351,and P.L. 110-458,".

- Page 25, line 9 – Delete the first "and" on that line.

- Page 25, line 10 – Delete the period and insert a comma after 110-172. Then insert the text from line 14, beginning with " P.L. 110-234 through line 20 ending with P.L. 110-458" here. A period should replace the comma after P.L. 110-458.

- Page 25, line13 – Delete the comma after December 31, 2008 and insert a period.

- Page 25, lines 13 through 25 – Delete all text starting with "except that changes to the" on line 13 through the end of line 25. (There have not been amendments to the IRC after December 31, 2008.)

- Page 26, lines 1 through 4 – Delete all text on lines 1 through 4.

Proposed § 20 of the Act -

- Page 48, line 21 – Delete the very last "and" at the end of the line.

- Page 48, line 22 – After P.L. 110-172, insert P.L. 110-185, . (This section is listing exceptions to the IRC as amended to December 31, 2008. P.L. 110-185 was enacted in 2008 and should be listed as an exception.)

- Page 48, line 22 – Delete "and as amended by P.L. 110-234, excluding". (These changes and those that follow are needed as they were not amendments to the IRC *per se* and only the exclusions need to be listed.)

- Page 48, line 23 – Delete "P.L. 110-245, excluding".

- Page 49, line 1 – Delete "P.L. 110-289, excluding".

- Page 49, line 2 – Delete "P.L. 110-317, P.L. 110-343, excluding".

- Page 49, lines 5 and 6 – Delete "P.L. 110-351, and P.L. 110-458,".

- Page 50, line 8 – Delete the only "and" on that line.

- Page 50, line 9 – Delete the period and insert a comma after P.L. 110-172. Then insert the text from line 13, beginning with "P.L. 110-234" through line 20 ending with "P.L. 110-458" here. A period should replace the comma after P.L. 110-458.

- Page 50, line 12 – Go back to Line 12 and delete the comma after December 31, 2008 and insert a period.

- Page 50, lines 12 through 25 – Delete all text starting with "except that changes to the" on line 12 through the end of line 25. (There have not been amendments to the IRC after December 31, 2008.)

- Page 51, lines 1 through 3 – Delete all text on lines 1 through 3.

Proposed § 29 of the Act -

- Page 72, line 14 – Delete the very last "and" at the end of the line.

- Page 72, line 15 – After P.L. 110-172, insert P.L. 110-185, . (This section is listing exceptions to the IRC as amended to December 31, 2008. P.L. 110-185 was enacted in 2008 and should be listed as an exception.)

- Page 72, line 15 – Delete "and as amended by P.L. 110-234, excluding". (These changes and those that follow are needed as they were not amendments to the IRC *per se* and only the exclusions need to be listed.)

- Page 72, line 16 – Delete "P.L. 110-245, excluding".

- Page 72, line 17 – Delete "P.L. 110-289, excluding".

- Page 72, line 18 – Delete "P.L. 110-317, P.L. 110-343, excluding".

- Page 72, lines 21 and 22 – Delete "P.L. 110-351, and P.L. 110-458,".

- Page 73, line 23 – Delete the first "and" on that line.

- Page 73, line 24 – Delete the period and insert a comma after P.L. 110-172. Then (turning to page 74) insert the text from line 3, beginning with "P.L. 110-234" through line 9 ending with "P.L. 110-458" here. A period should replace the comma after P.L. 110-458.

- Page 74, line 12 – Go back to Line 2 and delete the comma after December 31, 2008 and insert a period.

- Page 74, lines 2 through 18 – Delete all text starting with "except that changes to the" on line 2 through the end of line 18. (There have not been amendments to the IRC after December 31, 2008.)

Proposed § 38 of the Act -

- Page 123, line 13 – Delete the very last "and" toward the end of the line.

- Page 123, line 14 – After P.L. 110-172, insert P.L. 110-185, . (This section is listing exceptions to the IRC as amended to December 31, 2008. P.L. 110-185 was enacted in 2008 and should be listed as an exception.)

- Page 123, line 14 – Delete "and as amended by P.L. 110-234, excluding". (These changes and those that follow are needed as they were not amendments to the IRC *per se* and only the exclusions need to be listed.)

- Page 123, line 15 – Delete "P.L. 110-245, excluding".

- Page 123, line 16 – Delete "P.L. 110-289, excluding".

- Page 123, line 17 – Delete "P.L. 110-317, P.L. 110-343, excluding".

- Page 123, lines 20 and 21 – Delete "P.L. 110-351, and P.L. 110-458,".

- Page 124, line 22 – Delete the first "and" on that line.

- Page 124, line 23 - After P.L. 110-172, insert (*copy and paste*)

    - text from Page 128, lines 20 [starting with the text "P.L. 110-234, excluding"] through 25; and text from Page 129, line 1 [ending with the text "and P.L. 110-458,"] .

- Do not proceed to the instructions that follow until you have made the changes outlined above.

- After the revisions above, you will end up with a certain work product of public law references that, if the line references were to remain intact, would span from Page 122, line 23, to Page 124, line 23;

    - and this certain work product of public law references would begin, "amended to December 31, 2008, excluding sections 103 . . ." and end "P.L. 110-343, P.L. 110-351, and P.L. 110-458," (and the definition of "net income" would follow).

    - You need to now take this certain work product of public law references that I have precisely identified for you and insert it to follow the definition of "net income."

        - For visual illustration, the definition of "net income" would read,

- "net income" means the federal regulated investment company taxable income . . . under the Internal Revenue Code as amended to December 31, 2008, excluding sections 103 . . . [*and end*] . . . P.L. 110-343, P.L. 110-351, and P.L. 110-458, except that property that, under . . .

- At this point you are going to be, if the line references were to remain intact, on Page 126, line 24, looking at the sentence that begins, "The Internal Revenue Code as amended to . . . ."

  - You will now take the same certain work product of public law references that I precisely identified for you and insert it after the immediately above identified sentence that begins, "The Internal Revenue Code as amended to . . ." so that the certain work product of public law references is followed by the clause, ". . . applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the Internal Revenue Code enacted after December 31, 2008, do not apply to this subdivision with respect to taxable years that begin after December 31, 2008.

  - The remaining text (that if the line references remained intact would be) found in Page 128, line 19, beginning with "except that changes . . ." now needs to be deleted.

Proposed § 47 of the Act -

- Page 151, line 18 – Delete the first "and" right at the beginning of the line.

- Page 151, line 18 – After P.L. 110-172, insert P.L. 110-185, . (This section is listing exceptions to the IRC as amended to December 31, 2008. P.L. 110-185 was enacted in 2008 and should be listed as an exception.)

- Page 151, lines 18-19 – Delete "and as amended by P.L. 110-234, excluding". (These changes and those that follow are needed as they were not amendments to the IRC and only the exclusions need to be listed.)

- Page 151, lines 19 through 20 – Delete "P.L. 110-245, excluding".

- Page 151, line 20 – Delete "P.L. 110-289, excluding".

- Page 151, line 21 – Delete " P.L. 110-317, P.L. 110-343, excluding".

- Page 152, line 2 – Delete " P.L. 110-351,and P.L. 110-458,".

- Page 153, line 5 – Delete the first "and" on that line.

- Page 153, line 6 – Insert the text from line 12, beginning with " P.L. 110-234" through line 19 ending with "P.L. 110-458" here.

- Page 153, line 11 – Delete the comma after December 31, 2008 and insert a period.

- Page 153, lines 11 through 25 – Delete all text starting with "except that changes to the" on line 11 through the end of line 25. (There have not been amendments to the IRC after December 31, 2008.)
- Page 154, lines 1 through 2 – Delete entire text on lines 1 through 2.

Proposed § 56 of the Act -

- Page 175, line 14 – Delete "and" at the end of the line.

- Page 175, line 15 – After P.L. 110-172, insert P.L. 110-185, . (This section is listing exceptions to the IRC as amended to December 31, 2008. P.L. 110-185 was enacted in 2008 and should be listed as an exception.)

- Page 175, line 15 – Delete "and as amended by P.L. 110-234, excluding". (These changes and those that follow are needed as they were not amendments to the IRC and only the exclusions need to be listed.)

- Page 175, line 16 – Delete "P.L. 110-245, excluding".

- Page 175, line 17 – Delete "P.L. 110-289, excluding".

- Page 175, line 18 – Delete "P.L. 110-317, P.L. 110-343, excluding".

- Page 175, lines 21 through 22 – Delete "P.L. 110-351, and P.L. 110-458,".

- Page 176, line 22 – Delete the "and" on that line.

- Page 176, line 23 – Insert the text from Page 177, line 3, beginning with "P.L. 110-234" through line 10 ending with "P.L. 110-458" here.

- Page 177, line3 – Delete the comma after December 31, 2008 and insert a period.

- Page 177, lines 3 through 19 – Delete all text starting with "except that changes to the" on line 3 through the end of line 19. (There have not been amendments to the IRC after December 31, 2008.)