

1 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, P.L.  
2 109–151, P.L. 109–222, excluding sections 101, 207, 503, and 513 of P.L. 109–222,  
3 P.L. 109–227, P.L. 109–280, sections 117, 406, 409, 410, 412, 417, 418, 424, and 425  
4 of division A and section 403 of division C of P.L. 109–432, sections 8215, 8231, 8232,  
5 8234, and 8236 of P.L. 110–28, P.L. 110–141, P.L. 110–142, excluding sections 2, 3,  
6 and 5 of P.L. 110–142, P.L. 110–172, excluding sections 3 (b) and 11 (b), (e), and (g)  
7 of P.L. 110–172, P.L. 110–245, excluding section 301 of P.L. 110–245, sections 4,  
8 15312, 15313, 15314, 15316, and 15342 of P.L. 110–246, P.L. 110–289, excluding  
9 sections 3071, 3081, and 3082 of P.L. 110–289, P.L. 110–317, excluding section 9 (e)  
10 of P.L. 110–317, sections 116, 208, 211, and 301 of division B and sections 313 and 504  
11 of division C of P.L. 110–343, P.L. 110–351, P.L. 110–458, sections 1261, 1262, 1401,  
12 1402, 1521, 1522, 1531, and 1541 of division B of P.L. 111–5, P.L. 111–92, P.L.  
13 111–147, excluding section 201 of P.L. 111–147, sections 1322, 1515, 9003, 9021,  
14 9022, 10108, 10908, and 10909 of P.L. 111–148, section 1407 of P.L. 111–152, P.L.  
15 111–192, section 1601 of P.L. 111–203, sections 215 and 217 of P.L. 111–226, sections  
16 2014, 2043, 2111, 2112, and 2113 of P.L. 111–240, and P.L. 111–325, and section 902  
17 of P.L. 112–240, except that section 1366 (f) (relating to pass-through of items to  
18 shareholders) is modified by substituting the tax under s. 71.35 for the taxes under  
19 sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin purposes  
20 at the same time as for federal purposes, except that changes made by section 209  
21 of P.L. 109–222, sections 117, 406, 409, 410, 412, 417, 418, 424, and 425 of division  
22 A and section 403 of division C of P.L. 109–432, sections 8215, 8231, 8232, 8234, and  
23 8236 of P.L. 110–28, P.L. 110–141, P.L. 110–142, excluding sections 2, 3, and 5 of P.L.  
24 110–142, P.L. 110–172, excluding sections 3 (b) and 11 (b), (e), and (g) of P.L. 110–172,  
25 sections 110 and 113 of P.L. 110–245, sections 15312, 15313, 15314, and 15342 of P.L.

1 110–246, sections 3031, 3032, 3033, 3041, 3051, 3052, 3061, and 3092 of P.L.  
2 110–289, P.L. 110–317, excluding section 9 (e) of P.L. 110–317, sections 116, 208, and  
3 211 of division B and section 504 of division C of P.L. 110–343, section 14 of P.L.  
4 111–92, sections 531, 532, and 533 of P.L. 111–147, sections 10908 and 10909 of P.L.  
5 111–148, and section 2043 of P.L. 111–240 do not apply for taxable years beginning  
6 before January 1, 2011. Amendments to the federal Internal Revenue Code enacted  
7 after December 31, 2010, do not apply to this paragraph with respect to taxable years  
8 beginning after December 31, 2010, and before January 1, 2013, except that changes  
9 to the Internal Revenue Code made by section 902 of P.L. 112–240, and changes that  
10 indirectly affect the provisions applicable to this subchapter made by section 902 of  
11 P.L. 112–240, apply for Wisconsin purposes at the same time as for federal purposes.

12 **SECTION 1408b.** 71.34 (1k) (intro.) of the statutes is amended to read:

13 71.34 (1k) (intro.) “Net income or loss” of a tax–option corporation means net  
14 income or loss computed under the internal revenue code, as defined under sub. (1g)  
15 and s. 71.98 (3) and (4), except that:

16 **SECTION 1408d.** 71.34 (1k) (g) of the statutes is amended to read:

17 71.34 (1k) (g) An addition shall be made for credits computed by a tax–option  
18 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy),  
19 (3), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3t), (3w), (4), (5), (5e), (5f), (5g), (5h),  
20 (5i), (5j), (5k), (5r), (5rm), (6n), and (8r) and passed through to shareholders.

21 **SECTION 1408c.** 71.34 (1k) (n) of the statutes is created to read:

22 71.34 (1k) (n) Starting with the first taxable year beginning after December  
23 31, 2013, and for each of the next 4 taxable years, a subtraction shall be made in an  
24 amount equal to 20 percent of the amount determined by subtracting the combined  
25 federal adjusted basis of all depreciated or amortized assets as of the last day of the

1 taxable year beginning in 2013 that are also being depreciated or amortized for  
2 Wisconsin from the combined Wisconsin adjusted basis of those assets on the same  
3 day.

4 **SECTION 1408d.** 71.34 (1m) (b) of the statutes is amended to read:

5 71.34 (1m) (b) Notwithstanding sub. (1g), section 101 of P.L. 109–222, related  
6 to extending the increased expense deduction under section 179 of the Internal  
7 Revenue Code, applies to property used in farming that is acquired and placed in  
8 service in taxable years beginning ~~on or~~ after December 31, 2007, and before January  
9 1, 2008 2010, and used by a person who is actively engaged in farming. For purposes  
10 of this paragraph, “actively engaged in farming” has the meaning given in 7 CFR  
11 1400.201, and “farming” has the meaning given in section 464 (e) (1) of the Internal  
12 Revenue Code.

13 **SECTION 1408f.** 71.365 (1m) (a) of the statutes is renumbered 71.365 (1m) and  
14 amended to read:

15 71.365 (1m) ~~Except as provided in par. (b)~~ For taxable years beginning before  
16 January 1, 2014, a tax-option corporation shall compute amortization and  
17 depreciation under the federal Internal Revenue Code as amended to December 31,  
18 2000, except that property first placed in service by the taxpayer on or after  
19 January 1, 1983, but before January 1, 1987, that, under s. 71.04 (15) (b) and (br),  
20 1985 stats., is required to be depreciated under the Internal Revenue Code as  
21 amended to December 31, 1980, and property first placed in service in taxable year  
22 1981 or thereafter but before January 1, 1987, that, under s. 71.04 (15) (bm), 1985  
23 stats., is required to be depreciated under the Internal Revenue Code as amended  
24 to December 31, 1980, shall continue to be depreciated under the Internal Revenue  
25 Code as amended to December 31, 1980. Any difference between the adjusted basis

1 for federal income tax purposes and the adjusted basis under this chapter shall be  
2 taken into account in determining net income or loss in the year or years for which  
3 the gain or loss is reportable under this chapter. If that property was placed in  
4 service by the taxpayer during taxable year 1986 and thereafter but before the  
5 property is used in the production of income subject to taxation under this chapter,  
6 the property's adjusted basis and the depreciation or other deduction schedule are  
7 not required to be changed from the amount allowable on the owner's federal income  
8 tax returns for any year because the property is used in the production of income  
9 subject to taxation under this chapter. If that property was acquired in a transaction  
10 in taxable year 1986 or thereafter in which the adjusted basis of the property in the  
11 hands of the transferee is the same as the adjusted basis of the property in the hands  
12 of the transferor, the Wisconsin adjusted basis of that property on the date of transfer  
13 is the adjusted basis allowable under the Internal Revenue Code as defined for  
14 Wisconsin purposes for the property in the hands of the transferor.

15 **SECTION 1408g.** 71.365 (1m) (b) of the statutes is repealed.

16 **SECTION 1408e.** 71.365 (3) of the statutes is amended to read:

17 71.365 (3) CREDITS NOT ALLOWED. The credits under s. 71.28 (4), (4m), and (5)  
18 may not be claimed by a tax-option corporation or shareholders of a tax-option  
19 corporation.

20 **SECTION 1409.** 71.42 (2) (i) of the statutes is created to read:

21 71.42 (2) (i) For taxable years that begin after December 31, 2012, "Internal  
22 Revenue Code" means the federal Internal Revenue Code as amended to  
23 December 31, 2010, excluding sections 103, 104, and 110 of P.L. 102-227, sections  
24 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),  
25 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L.

1 106–519, sections 162 and 165 of P.L. 106–554, section 431 of P.L. 107–16, sections  
2 101 and 301 (a) of P.L. 107–147, sections 106, 201, and 202 of P.L. 108–27, section  
3 1201 of P.L. 108–173, sections 306, 308, 316, 401, and 403 (a) of P.L. 108–311, sections  
4 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108–357, P.L.  
5 109–1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348,  
6 and 1351 of P.L. 109–58, section 11146 of P.L. 109–59, section 301 of P.L. 109–73,  
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, sections 101, 207, 503, and 513 of P.L. 109–222, P.L.  
9 109–432, except sections 117, 406, 409, 410, 412, 417, 418, 424, and 425 of division  
10 A and section 403 of division C of P.L. 109–432, P.L. 110–28, except sections 8215,  
11 8231, 8232, 8234, and 8236 of P.L. 110–28, P.L. 110–140, sections 2, 3, and 5 of P.L.  
12 110–142, P.L. 110–166, sections 3 (b) and 11 (b), (e), and (g) of P.L. 110–172, P.L.  
13 110–185, P.L. 110–234, section 301 of P.L. 110–245, P.L. 110–246, except sections 4,  
14 15312, 15313, 15314, 15316, and 15342 of P.L. 110–246, sections 3071, 3081, and  
15 3082 of P.L. 110–289, section 9 (e) of P.L. 110–317, P.L. 110–343, except sections 116,  
16 208, 211, and 301 of division B and sections 313 and 504 of division C of P.L. 110–343,  
17 P.L. 111–5, except sections 1261, 1262, 1401, 1402, 1521, 1522, 1531, and 1541 of  
18 division B of P.L. 111–5, section 201 of P.L. 111–147, P.L. 111–148, except sections  
19 1322, 1515, 9003, 9004, 9005, 9012, 9013, 9014, 9016, 9021, 9022, 10108, 10902,  
20 10908, and 10909 of P.L. 111–148, P.L. 111–152, except sections 1403 and 1407 of P.L.  
21 111–152, P.L. 111–203, except section 1601 of P.L. 111–203, P.L. 111–226, except  
22 sections 215 and 217 of P.L. 111–226, P.L. 111–240, except sections 2014, 2043, 2111,  
23 2112, and 2113 of P.L. 111–240, and P.L. 111–312, and as amendeded by section 1858  
24 of P.L. 112–10, section 1108 of P.L. 112–95, sections 40211, 40241, 40242, and 100121  
25 of P.L. 112–141, and sections 101 and 902 of P.L. 112–240, and as indirectly affected

1 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,  
2 P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.  
3 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150  
4 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.  
5 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),  
6 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.  
7 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.  
8 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 106-573,  
9 P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L.  
10 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 301 (a) of P.L.  
11 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,  
12 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173,  
13 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,  
14 excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,  
15 excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of  
16 P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections  
17 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.  
18 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding  
19 section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it  
20 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L.  
21 109-151, P.L. 109-222, excluding sections 101, 207, 503, and 513 of P.L. 109-222,  
22 P.L. 109-227, P.L. 109-280, sections 117, 406, 409, 410, 412, 417, 418, 424, and 425  
23 of division A and section 403 of division C of P.L. 109-432, sections 8215, 8231, 8232,  
24 8234, and 8236 of P.L. 110-28, P.L. 110-141, P.L. 110-142, excluding sections 2, 3,  
25 and 5 of P.L. 110-142, P.L. 110-172, excluding sections 3 (b) and 11 (b), (e), and (g)

1 of P.L. 110–172; P.L. 110–245, excluding section 301 of P.L. 110–245, sections 4,  
2 15312, 15313, 15314, 15316, and 15342 of P.L. 110–246, P.L. 110–289, excluding  
3 sections 3071, 3081, and 3082 of P.L. 110–289, P.L. 110–317, excluding section 9 (e)  
4 of P.L. 110–317, sections 116, 208, 211, and 301 of division B and sections 313 and 504  
5 of division C of P.L. 110–343, P.L. 110–351, P.L. 110–458, sections 1261, 1262, 1401,  
6 1402, 1521, 1522, 1531, and 1541 of division B of P.L. 111–5, P.L. 111–92, P.L.  
7 111–147, excluding section 201 of P.L. 111–147, sections 1322, 1515, 9003, 9004,  
8 9005, 9012, 9013, 9014, 9016, 9021, 9022, 10108, 10902, 10908, and 10909 of P.L.  
9 111–148, sections 1403 and 1407 of P.L. 111–152, P.L. 111–192, section 1601 of P.L.  
10 111–203, sections 215 and 217 of P.L. 111–226, sections 2014, 2043, 2111, 2112, and  
11 2113 of P.L. 111–240, P.L. 111–325, section 1858 of P.L. 112–10, section 1108 of P.L.  
12 112–95, sections 40211, 40241, 40242, and 100121 of P.L. 112–141, and sections 101  
13 and 902 of P.L. 112–240, except that “Internal Revenue Code” does not include  
14 section 847 of the federal Internal Revenue Code. The Internal Revenue Code  
15 applies for Wisconsin purposes at the same time as for federal purposes, except that  
16 changes made by P.L. 106–573, sections 9004, 9005, 9012, 9013, 9014, 9016, and  
17 10902 of P.L. 111–148, sections 1403 and 1407 of P.L. 111–152, section 1858 of P.L.  
18 112–10, section 1108 of P.L. 112–95, and sections 40211, 40241, 40242, and 100121  
19 of P.L. 112–141 do not apply for taxable years beginning before January 1, 2013.  
20 Amendments to the federal Internal Revenue Code enacted after December 31, 2010,  
21 do not apply to this paragraph with respect to taxable years beginning after  
22 December 31, 2010, except that changes to the Internal Revenue Code made by  
23 section 1858 of P.L. 112–10, section 1108 of P.L. 112–95, and sections 40211, 40241,  
24 40242, and 100121 of P.L. 112–141, and changes that indirectly affect the provisions  
25 applicable to this subchapter made by section 1858 of P.L. 112–10, section 1108 of P.L.

1 112–95, and sections 40211, 40241, 40242, and 100121 of P.L. 112–141, do not apply  
2 for taxable years beginning before January 1, 2013, and changes to the Internal  
3 Revenue Code made by sections 101 and 902 of P.L. 112–240, and changes that  
4 indirectly affect the provisions applicable to this subchapter made by sections 101  
5 and 902 of P.L. 112–240, apply for Wisconsin purposes at the same time as for federal  
6 purposes.

7 **SECTION 1410.** 71.42 (2) (n) of the statutes is repealed.

8 **SECTION 1411.** 71.42 (2) (o) of the statutes is renumbered 71.42 (2) (a).

9 **SECTION 1412.** 71.42 (2) (p) of the statutes is renumbered 71.42 (2) (b).

10 **SECTION 1413.** 71.42 (2) (q) of the statutes is renumbered 71.42 (2) (c).

11 **SECTION 1414.** 71.42 (2) (r) of the statutes is renumbered 71.42 (2) (d).

12 **SECTION 1415.** 71.42 (2) (s) of the statutes is renumbered 71.42 (2) (e).

13 **SECTION 1416.** 71.42 (2) (t) of the statutes is renumbered 71.42 (2) (f).

14 **SECTION 1417.** 71.42 (2) (tm) of the statutes is renumbered 71.42 (2) (g).

15 **SECTION 1418.** 71.42 (2) (tn) of the statutes is renumbered 71.42 (2) (h) and  
16 amended to read:

17 71.42 (2) (h) For taxable years that begin after December 31, 2010, and before  
18 January 1, 2013, “Internal Revenue Code” means the federal Internal Revenue Code  
19 as amended to December 31, 2010, excluding sections 103, 104, and 110 of P.L.  
20 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66,  
21 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, sections 1, 3,  
22 4, and 5 of P.L. 106–519, sections 162 and 165 of P.L. 106–554, P.L. 106–573, section  
23 431 of P.L. 107–16, sections 101 and 301 (a) of P.L. 107–147, sections 106, 201, and  
24 202 of P.L. 108–27, section 1201 of P.L. 108–173, sections 306, 308, 316, 401, and 403  
25 (a) of P.L. 108–311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and

1 910 of P.L. 108–357, P.L. 109–1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,  
2 1326, 1328, 1329, 1348, and 1351 of P.L. 109–58, section 11146 of P.L. 109–59, section  
3 301 of P.L. 109–73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402  
4 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, sections 101, 207, 503, and 513 of P.L.  
5 109–222, P.L. 109–432, except sections 117, 406, 409, 410, 412, 417, 418, 424, and 425  
6 of division A and section 403 of division C of P.L. 109–432, P.L. 110–28, except  
7 sections 8215, 8231, 8232, 8234, and 8236 of P.L. 110–28, P.L. 110–140, sections 2,  
8 3, and 5 of P.L. 110–142, P.L. 110–166, sections 3 (b) and 11 (b), (e), and (g) of P.L.  
9 110–172, P.L. 110–185, P.L. 110–234, section 301 of P.L. 110–245, P.L. 110–246,  
10 except sections 4, 15312, 15313, 15314, 15316, and 15342 of P.L. 110–246, sections  
11 3071, 3081, and 3082 of P.L. 110–289, section 9 (e) of P.L. 110–317, P.L. 110–343,  
12 except sections 116, 208, 211, and 301 of division B and sections 313 and 504 of  
13 division C of P.L. 110–343, P.L. 111–5, except sections 1261, 1262, 1401, 1402, 1521,  
14 1522, 1531, and 1541 of division B of P.L. 111–5, section 201 of P.L. 111–147, P.L.  
15 111–148, except sections 1322, 1515, 9003, 9021, 9022, 10108, 10908, and 10909 of  
16 P.L. 111–148, P.L. 111–152, except section 1407 of P.L. 111–152, P.L. 111–203, except  
17 section 1601 of P.L. 111–203, P.L. 111–226, except sections 215 and 217 of P.L.  
18 111–226, P.L. 111–240, except sections 2014, 2043, 2111, 2112, and 2113 of P.L.  
19 111–240, and P.L. 111–312, and as amended by section 902 of P.L. 112–240, and as  
20 indirectly affected by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L.  
21 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections  
22 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding  
23 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L.  
24 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections  
25 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L.

1 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L. 105–277, P.L.  
2 106–36, P.L. 106–170, P.L. 106–230, P.L. 106–554, excluding sections 162 and 165 of  
3 P.L. 106–554, P.L. 107–15, P.L. 107–16, excluding section 431 of P.L. 107–16, P.L.  
4 107–22, P.L. 107–116, P.L. 107–134, P.L. 107–147, excluding sections 101 and 301 (a)  
5 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,  
6 excluding sections 106, 201, and 202 of P.L. 108–27, P.L. 108–121, P.L. 108–173,  
7 excluding section 1201 of P.L. 108–173, P.L. 108–203, P.L. 108–218, P.L. 108–311,  
8 excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108–311, P.L. 108–357,  
9 excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of  
10 P.L. 108–357, P.L. 108–375, P.L. 108–476, P.L. 109–7, P.L. 109–58, excluding sections  
11 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.  
12 109–58, P.L. 109–59, excluding section 11146 of P.L. 109–59, P.L. 109–73, excluding  
13 section 301 of P.L. 109–73, P.L. 109–135, excluding sections 101, 105, 201 (a) as it  
14 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109–135, P.L.  
15 109–151, P.L. 109–222, excluding sections 101, 207, 503, and 513 of P.L. 109–222,  
16 P.L. 109–227, P.L. 109–280, sections 117, 406, 409, 410, 412, 417, 418, 424, and 425  
17 of division A and section 403 of division C of P.L. 109–432, sections 8215, 8231, 8232,  
18 8234, and 8236 of P.L. 110–28, P.L. 110–141, P.L. 110–142, excluding sections 2, 3,  
19 and 5 of P.L. 110–142, P.L. 110–172, excluding sections 3 (b) and 11 (b), (e), and (g)  
20 of P.L. 110–172, P.L. 110–245, excluding section 301 of P.L. 110–245, sections 4,  
21 15312, 15313, 15314, 15316, and 15342 of P.L. 110–246, P.L. 110–289, excluding  
22 sections 3071, 3081, and 3082 of P.L. 110–289, P.L. 110–317, excluding section 9 (e)  
23 of P.L. 110–317, sections 116, 208, 211, and 301 of division B and sections 313 and 504  
24 of division C of P.L. 110–343, P.L. 110–351, P.L. 110–458, sections 1261, 1262, 1401,  
25 1402, 1521, 1522, 1531, and 1541 of division B of P.L. 111–5, P.L. 111–92, P.L.

1 111–147, excluding section 201 of P.L. 111–147, sections 1322, 1515, 9003, 9021,  
2 9022, 10108, 10908, and 10909 of P.L. 111–148, section 1407 of P.L. 111–152, P.L.  
3 111–192, section 1601 of P.L. 111–203, sections 215 and 217 of P.L. 111–226, sections  
4 2014, 2043, 2111, 2112, and 2113 of P.L. 111–240, and P.L. 111–325, and section 902  
5 of P.L. 112–240, except that “Internal Revenue Code” does not include section 847 of  
6 the federal Internal Revenue Code. The Internal Revenue Code applies for  
7 Wisconsin purposes at the same time as for federal purposes, except that changes  
8 made by section 209 of P.L. 109–222, sections 117, 406, 409, 410, 412, 417, 418, 424,  
9 and 425 of division A and section 403 of division C of P.L. 109–432, sections 8215,  
10 8231, 8232, 8234, and 8236 of P.L. 110–28, P.L. 110–141, P.L. 110–142, excluding  
11 sections 2, 3, and 5 of P.L. 110–142, P.L. 110–172, excluding sections 3 (b) and 11 (b),  
12 (e), and (g) of P.L. 110–172, sections 110 and 113 of P.L. 110–245, sections 15312,  
13 15313, 15314, and 15342 of P.L. 110–246, sections 3031, 3032, 3033, 3041, 3051,  
14 3052, 3061, and 3092 of P.L. 110–289, P.L. 110–317, excluding section 9 (e) of P.L.  
15 110–317, sections 116, 208, and 211 of division B and section 504 of division C of P.L.  
16 110–343, section 14 of P.L. 111–92, sections 531, 532, and 533 of P.L. 111–147,  
17 sections 10908 and 10909 of P.L. 111–148, and section 2043 of P.L. 111–240 do not  
18 apply for taxable years beginning before January 1, 2011. Amendments to the  
19 federal Internal Revenue Code enacted after December 31, 2010; do not apply to this  
20 paragraph with respect to taxable years beginning after December 31, 2010, and  
21 before January 1, 2013, except that changes to the Internal Revenue Code made by  
22 section 902 of P.L. 112–240, and changes that indirectly affect the provisions  
23 applicable to this subchapter made by section 902 of P.L. 112–240, apply for  
24 Wisconsin purposes at the same time as for federal purposes.

25 **SECTION 1419.** 71.45 (1t) (L) of the statutes is created to read:

1           71.45 (1t) (L) Those issued under s. 231.03 (6), if the bonds or notes are issued  
2 for the benefit of a person who is eligible to receive the proceeds of bonds or notes from  
3 another entity for the same purpose for which the bonds or notes are issued under  
4 s. 231.03 (6) and the interest income received from the other bonds or notes is exempt  
5 from taxation under this subchapter.

6           **SECTION 1419d.** 71.45 (2) (a) 7. of the statutes is amended to read:

7           71.45 (2) (a) 7. By For taxable years beginning before January 1, 2014, by  
8 adding or subtracting, as appropriate, the amount required to reflect the fact that  
9 property that, under s. 71.01 (4) (g) 7. to 10., 1985 stats., is required to be depreciated  
10 for taxable years 1983 to 1986 under the internal revenue code as amended to  
11 December 31, 1980, shall continue to be depreciated under the internal revenue code  
12 as amended to December 31, 1980.

13           **SECTION 1419e.** 71.45 (2) (a) 13. of the statutes is amended to read:

14           71.45 (2) (a) 13. By For taxable years beginning before January 1, 2014, by  
15 adding or subtracting, as appropriate, the depreciation deduction under the federal  
16 Internal Revenue Code as amended to December 31, 2000, except that property first  
17 placed in service by the taxpayer on or after January 1, 1983, but before  
18 January 1, 1987, that, under s. 71.04 (15) (b) and (br), 1985 stats., is required to be  
19 depreciated under the Internal Revenue Code as amended to December 31, 1980,  
20 and property first placed in service in taxable year 1981 or thereafter but before  
21 January 1, 1987, that, under s. 71.04 (15) (bm), 1985 stats., is required to be  
22 depreciated under the Internal Revenue Code as amended to December 31, 1980,  
23 shall continue to be depreciated under the Internal Revenue Code as amended to  
24 December 31, 1980.

25           **SECTION 1419f.** 71.45 (2) (a) 19. of the statutes is created to read:

1           71.45 (2) (a) 19. Starting with the first taxable year beginning after December  
2           31, 2013, and for each of the next 4 taxable years, by subtracting 20 percent of the  
3           amount determined by subtracting the combined federal adjusted basis of all  
4           depreciated or amortized assets as of the last day of the taxable year beginning in  
5           2013 that are also being depreciated or amortized for Wisconsin from the combined  
6           Wisconsin adjusted basis of those assets on the same day.

7           **SECTION 1419d.** 71.47 (1) (d) of the statutes is created to read:

8           71.47 (1) (d) No credit may be claimed under this subsection for taxable years  
9           beginning after December 31, 2013. Credits under this subsection for taxable years  
10          that begin before January 1, 2014, may be carried forward to taxable years that begin  
11          after December 31, 2013.

12          **SECTION 1420.** 71.47 (1dj) (am) 4h. of the statutes is amended to read:

13          71.47 (1dj) (am) 4h. Modify section 51 (a) of the internal revenue code Internal  
14          Revenue Code so that the amount of the credit is 25% of the qualified first-year  
15          wages if the wages are paid to an applicant for a Wisconsin ~~works~~ Works employment  
16          position for service either in an unsubsidized position or in a trial job under s. 49.147  
17          (3), 2011 stats., and so that the amount of the credit is 20% of the qualified first-year  
18          wages if the wages are not paid to such an applicant.

19          **SECTION 1421.** 71.47 (1dx) (a) 4. of the statutes is amended to read:

20          71.47 (1dx) (a) 4. “Full-time job” ~~means a regular, nonseasonal full-time~~  
21          ~~position in which an individual, as a condition of employment, is required to work at~~  
22          ~~least 2,080 hours per year, including paid leave and holidays, and for which the~~  
23          ~~individual receives pay that is equal to at least 150% of the federal minimum wage~~  
24          ~~and receives benefits that are not required by federal or state law. “Full-time job”~~

1 ~~does not include initial training before an employment position begins~~ has the  
2 meaning given in s. 238.30 (2m).

3 **SECTION 1422.** 71.47 (1dx) (a) 5. of the statutes is amended to read:

4 71.47 (1dx) (a) 5. “Member of a targeted group” means a person who resides  
5 in an area designated by the federal government as an economic revitalization area,  
6 a person who is employed in an unsubsidized job but meets the eligibility  
7 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,  
8 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or  
9 in a real work, real pay project position under s. 49.147 (3m) trial employment match  
10 program job, as defined in s. 49.141 (1) (n), a person who is eligible for child care  
11 assistance under s. 49.155, a person who is a vocational rehabilitation referral, an  
12 economically disadvantaged youth, an economically disadvantaged veteran, a  
13 supplemental security income recipient, a general assistance recipient, an  
14 economically disadvantaged ex-convict, a qualified summer youth employee, as  
15 defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or  
16 a food stamp recipient, if the person has been certified in the manner under sub. (1dj)  
17 (am) 3. by a designated local agency, as defined in sub. (1dj) (am) 2.

18 **SECTION 1423.** 71.47 (1dx) (b) 2. of the statutes is amended to read:

19 71.47 (1dx) (b) 2. The amount determined by multiplying the amount  
20 determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number  
21 of full-time jobs created in a development zone and filled by a member of a targeted  
22 group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the~~  
23 ~~subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.~~

24 **SECTION 1424.** 71.47 (1dx) (b) 3. of the statutes is amended to read:

1           71.47 (1dx) (b) 3. The amount determined by multiplying the amount  
2 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number  
3 of full-time jobs created in a development zone and not filled by a member of a  
4 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or  
5 ~~the subsidies and reimbursements paid under s. 49.147 (3m) (e)~~ for those jobs.

6           **SECTION 1425.** 71.47 (1dx) (b) 4. of the statutes is amended to read:

7           71.47 (1dx) (b) 4. The amount determined by multiplying the amount  
8 determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the  
9 number of full-time jobs retained, as provided in the rules under s. 238.385 or s.  
10 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub.  
11 (1dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats.,  
12 and for which significant capital investment was made and by then subtracting the  
13 subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid~~  
14 ~~under s. 49.147 (3m) (e)~~ for those jobs.

15           **SECTION 1426.** 71.47 (1dx) (b) 5. of the statutes is amended to read:

16           71.47 (1dx) (b) 5. The amount determined by multiplying the amount  
17 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number  
18 of full-time jobs retained, as provided in the rules under s. 238.385 or s. 560.785,  
19 2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in  
20 a development zone and not filled by a member of a targeted group and by then  
21 subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and~~  
22 ~~reimbursements paid under s. 49.147 (3m) (e)~~ for those jobs.

23           **SECTION 1426b.** 71.47 (3h) (b) of the statutes is amended to read:

24           71.47 (3h) (b) *Filing claims.* Subject to the limitations provided in this  
25 subsection, for taxable years beginning after December 31, 2011, and before January

1 1, ~~2015~~ 2014, for a claimant who produces at least 2,500,000 gallons of biodiesel fuel  
2 in this state in the taxable year, a claimant may claim as a credit against the tax  
3 imposed under s. 71.43, up to the amount of the tax, an amount that is equal to the  
4 number of gallons of biodiesel fuel produced by the claimant in this state in the  
5 taxable year multiplied by 10 cents.

6 **SECTION 1426c.** 71.47 (3h) (d) of the statutes is renumbered 71.47 (3h) (d) 1.

7 **SECTION 1426d.** 71.47 (3h) (d) 2. of the statutes is created to read:

8 71.47 (3h) (d) 2. No credit may be claimed under this subsection for taxable  
9 years beginning after December 31, 2013. Credits under this subsection for taxable  
10 years that begin before January 1, 2014, may be carried forward to taxable years that  
11 begin after December 31, 2013.

12 **SECTION 1426e.** 71.47 (3n) (a) 2. (intro.) of the statutes is amended to read:

13 71.47 (3n) (a) 2. (intro.) “Dairy farm modernization or expansion” means the  
14 construction, the improvement, or the acquisition of buildings or facilities, or the  
15 acquisition of equipment, for dairy animal housing, confinement, animal feeding,  
16 milk production, or waste management, including the following, if used exclusively  
17 related to dairy animals and if acquired and placed in service in this state during  
18 taxable years that begin after December 31, 2003, and before January 1, ~~2017~~ 2014:

19 **SECTION 1426f.** 71.47 (3n) (a) 5. (intro.) of the statutes is amended to read:

20 71.47 (3n) (a) 5. (intro.) “Livestock farm modernization or expansion” means  
21 the construction, the improvement, or the acquisition of buildings or facilities, or the  
22 acquisition of equipment, for livestock housing, confinement, feeding, or waste  
23 management, including the following, if used exclusively related to livestock and if  
24 acquired and placed in service in this state during taxable years that begin after  
25 December 31, 2005, and before January 1, ~~2017~~ 2014:

1           **SECTION 1426g.** 71.47 (3n) (a) 6. b. of the statutes is amended to read:

2           71.47 (3n) (a) 6. b. For taxable years that begin after December 31, 2005, and  
3 before January 1, 2017 2014, “used exclusively,” related to livestock, dairy animals,  
4 or both, means used to the exclusion of all other uses except for use not exceeding 5  
5 percent of total use.

6           **SECTION 1426h.** 71.47 (3n) (b) 1. of the statutes is amended to read:

7           71.47 (3n) (b) 1. Subject to the limitations provided in this subsection, for  
8 taxable years that begin after December 31, 2003, and before January 1, 2017 2014,  
9 a claimant may claim as a credit against the tax imposed under s. 71.43 an amount  
10 equal to 10% of the amount the claimant paid in the taxable year for dairy farm  
11 modernization or expansion related to the operation of the claimant’s dairy farm.

12           **SECTION 1426i.** 71.47 (3n) (b) 2. of the statutes is amended to read:

13           71.47 (3n) (b) 2. Subject to the limitations provided in this subsection, for  
14 taxable years that begin after December 31, 2005, and before January 1, 2017 2014,  
15 a claimant may claim as a credit against the tax imposed under s. 71.43 an amount  
16 equal to 10 percent of the amount the claimant paid in the taxable year for livestock  
17 farm modernization or expansion related to the operation of the claimant’s livestock  
18 farm.

19           **SECTION 1426j.** 71.47 (3n) (g) of the statutes is created to read:

20           71.47 (3n) (g) No credit may be claimed under this subsection for taxable years  
21 beginning after December 31, 2013. Credits under this subsection for taxable years  
22 that begin before January 1, 2014, may be carried forward to taxable years that begin  
23 after December 31, 2013.

24           **SECTION 1426k.** 71.47 (3p) (a) 3. (intro.) of the statutes is amended to read:

1           71.47 (3p) (a) 3. (intro.) “Dairy manufacturing modernization or expansion”  
2 means constructing, improving, or acquiring buildings or facilities, or acquiring  
3 equipment, for dairy manufacturing, including the following, if used exclusively for  
4 dairy manufacturing and if acquired and placed in service in this state during  
5 taxable years that begin after December 31, 2006, and before January 1, ~~2015~~ 2014,  
6 or, in the case of dairy cooperatives, if acquired and placed in service in this state  
7 during taxable years that begin after December 31, 2008, and before January 1, ~~2017~~  
8 2014:

9           **SECTION 1426L.** 71.47 (3p) (b) of the statutes is amended to read:

10           71.47 (3p) (b) *Filing claims.* Subject to the limitations provided in this  
11 subsection and s. 93.535 or s. 560.207, 2009 stats., except as provided in par. (c) 5.,  
12 for taxable years beginning after December 31, 2006, and before January 1, ~~2015~~  
13 2014, a claimant may claim as a credit against the taxes imposed under s. 71.43, up  
14 to the amount of the tax, an amount equal to 10 percent of the amount the claimant  
15 paid in the taxable year for dairy manufacturing modernization or expansion related  
16 to the claimant’s dairy manufacturing operation.

17           **SECTION 1426m.** 71.47 (3p) (c) 5. of the statutes is amended to read:

18           71.47 (3p) (c) 5. A claimant who is a member of a dairy cooperative may claim  
19 the credit in the year after the year in which the dairy manufacturing modernization  
20 or expansion occurs, based on amounts described under par. (b) that are paid by the  
21 dairy cooperative, for taxable years beginning after December 31, 2008, and before  
22 January 1, ~~2018~~ 2014. The amount of the credits computed and not passed through  
23 by a partnership, limited liability company, or tax-option corporation that has added  
24 that amount to the partnership’s, company’s, or tax-option corporation’s income

1 under s. 71.21 (4) or 71.34 (1k) (g) shall be added to a claimant's income in the year  
2 in which the cooperative member is allowed to claim the credit.

3 **SECTION 1426n.** 71.47 (3p) (d) 4. of the statutes is created to read:

4 71.47 (3p) (d) 4. No credit may be claimed under this subsection for taxable  
5 years beginning after December 31, 2013.

6 **SECTION 1426p.** 71.47 (3r) (a) 3. (intro.) of the statutes is amended to read:

7 71.47 (3r) (a) 3. (intro.) "Meat processing modernization or expansion" means  
8 constructing, improving, or acquiring buildings or facilities, or acquiring equipment,  
9 for meat processing, including the following, if used exclusively for meat processing  
10 and if acquired and placed in service in this state during taxable years that begin  
11 after December 31, 2008, and before January 1, ~~2017~~ 2014:

12 **SECTION 1426q.** 71.47 (3r) (b) of the statutes is amended to read:

13 71.47 (3r) (b) *Filing claims.* Subject to the limitations provided in this  
14 subsection and s. 93.545 or s. 560.208, 2009 stats., for taxable years beginning after  
15 December 31, 2008, and before January 1, ~~2017~~ 2014, a claimant may claim as a  
16 credit against the taxes imposed under s. 71.43, up to the amount of the tax, an  
17 amount equal to 10 percent of the amount the claimant paid in the taxable year for  
18 meat processing modernization or expansion related to the claimant's meat  
19 processing operation.

20 **SECTION 1426r.** 71.47 (3r) (d) 3. of the statutes is created to read:

21 71.47 (3r) (d) 3. No credit may be claimed under this subsection for taxable  
22 years beginning after December 31, 2013.

23 **SECTION 1426rb.** 71.47 (3rm) (b) of the statutes is amended to read:

24 71.47 (3rm) (b) *Filing claims.* Subject to the limitations provided in this  
25 subsection and s. 93.547 or s. 560.209, 2009 stats., for taxable years beginning after

1 December 31, 2009, and before January 1, 2016 2015, a claimant may claim as a  
2 credit against the taxes imposed under s. 71.43, up to the amount of the tax, an  
3 amount equal to 10 percent of the amount the claimant paid in the taxable year for  
4 equipment that is used primarily to harvest or process woody biomass that is used  
5 as fuel or as a component of fuel.

6 **SECTION 1426rc.** 71.47 (3rn) (d) 3. of the statutes is created to read:

7 71.47 (3rn) (d) 3. No credit may be claimed under this subsection for taxable  
8 years beginning after December 31, 2014.

9 **SECTION 1426s.** 71.47 (3rn) (a) 4. (intro.) of the statutes is amended to read:

10 71.47 (3rn) (a) 4. (intro.) “Food processing plant or food warehouse  
11 modernization or expansion” means constructing, improving, or acquiring buildings  
12 or facilities, or acquiring equipment, for food processing or food warehousing,  
13 including the following, if used exclusively for food processing or food warehousing  
14 and if acquired and placed in service in this state during taxable years that begin  
15 after December 31, 2009, and before January 1, 2017 2014:

16 **SECTION 1426t.** 71.47 (3rn) (b) of the statutes is amended to read:

17 71.47 (3rn) (b) *Filing claims.* Subject to the limitations provided in this  
18 subsection and s. 93.54 or s. 560.2056, 2009 stats., for taxable years beginning after  
19 December 31, 2009, and before January 1, 2017 2014, a claimant may claim as a  
20 credit against the tax imposed under s. 71.43, up to the amount of the tax, an amount  
21 equal to 10 percent of the amount the claimant paid in the taxable year for food  
22 processing or food warehousing modernization or expansion related to the operation  
23 of the claimant’s food processing plant or food warehouse.

24 **SECTION 1426u.** 71.47 (3rn) (d) 3. of the statutes is created to read:

1           71.47 (3rn) (d) 3. No credit may be claimed under this subsection for taxable  
2 years beginning after December 31, 2013.

3           **SECTION 1427.** 71.47 (3w) (b) 1. a. of the statutes is amended to read:

4           71.47 (3w) (b) 1. a. The number of full–time employees whose annual wages  
5 are greater than \$20,000 the amount determined by multiplying 2,080 by 150  
6 percent of the federal minimum wage in a tier I county or municipality or greater  
7 than \$30,000 in a tier II county or municipality and who the claimant employed in  
8 the enterprise zone in the taxable year, minus the number of full–time employees  
9 whose annual wages were greater than \$20,000 the amount determined by  
10 multiplying 2,080 by 150 percent of the federal minimum wage in a tier I county or  
11 municipality or greater than \$30,000 in a tier II county or municipality and who the  
12 claimant employed in the area that comprises the enterprise zone in the base year.

13           **SECTION 1428.** 71.47 (3w) (b) 1. b. of the statutes is amended to read:

14           71.47 (3w) (b) 1. b. The number of full–time employees whose annual wages  
15 are greater than \$20,000 the amount determined by multiplying 2,080 by 150  
16 percent of the federal minimum wage in a tier I county or municipality or greater  
17 than \$30,000 in a tier II county or municipality and who the claimant employed in  
18 the state in the taxable year, minus the number of full–time employees whose annual  
19 wages were greater than \$20,000 the amount determined by multiplying 2,080 by  
20 150 percent of the federal minimum wage in a tier I county or municipality or greater  
21 than \$30,000 in a tier II county or municipality and who the claimant employed in  
22 the state in the base year.

23           **SECTION 1429.** 71.47 (3w) (b) 2. of the statutes is amended to read:

24           71.47 (3w) (b) 2. Determine the claimant’s average zone payroll by dividing  
25 total wages for full–time employees whose annual wages are greater than \$20,000

1 the amount determined by multiplying 2,080 by 150 percent of the federal minimum  
2 wage in a tier I county or municipality or greater than \$30,000 in a tier II county or  
3 municipality and who the claimant employed in the enterprise zone in the taxable  
4 year by the number of full-time employees whose annual wages are greater than  
5 \$20,000 the amount determined by multiplying 2,080 by 150 percent of the federal  
6 minimum wage in a tier I county or municipality or greater than \$30,000 in a tier II  
7 county or municipality and who the claimant employed in the enterprise zone in the  
8 taxable year.

9 **SECTION 1430.** 71.47 (3w) (b) 3. of the statutes is amended to read:

10 71.47 (3w) (b) 3. For employees in a tier I county or municipality, subtract  
11 \$20,000 the amount determined by multiplying 2,080 by 150 percent of the federal  
12 minimum wage from the amount determined under subd. 2. and for employees in a  
13 tier II county or municipality, subtract \$30,000 from the amount determined under  
14 subd. 2.

15 **SECTION 1431.** 71.47 (3w) (bm) 2. of the statutes is amended to read:

16 71.47 (3w) (bm) 2. In addition to the credits under par. (b) and subds. 1., 3., and  
17 4., and subject to the limitations provided in this subsection and s. 238.399 or s.  
18 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under  
19 s. 71.43 an amount equal to the percentage, as determined under s. 238.399 or s.  
20 560.799, 2009 stats., not to exceed 7 percent, of the claimant's zone payroll paid in  
21 the taxable year to all of the claimant's full-time employees whose annual wages are  
22 greater than \$20,000 the amount determined by multiplying 2,080 by 150 percent  
23 of the federal minimum wage in a tier I county or municipality, not including the  
24 wages paid to the employees determined under par. (b) 1., or greater than \$30,000  
25 in a tier II county or municipality, not including the wages paid to the employees

1 determined under par. (b) 1., and who the claimant employed in the enterprise zone  
2 in the taxable year, if the total number of such employees is equal to or greater than  
3 the total number of such employees in the base year. A claimant may claim a credit  
4 under this subdivision for no more than 5 consecutive taxable years.

5 **SECTION 1431b.** 71.47 (4) (i) of the statutes is amended to read:

6 71.47 (4) (i) *Nonclaimants.* ~~The~~ Except as provided in par. (j), the credits under  
7 this subsection may not be claimed by a partnership, except a publicly traded  
8 partnership treated as a corporation under s. 71.22 (1k), limited liability company,  
9 except a limited liability company treated as a corporation under s. 71.22 (1k), or  
10 tax-option corporation or by partners, including partners of a publicly traded  
11 partnership, members of a limited liability company or shareholders of a tax-option  
12 corporation.

13 **SECTION 1431c.** 71.47 (4) (j) of the statutes is created to read:

14 71.47 (4) (j) *Pass-through entities.* Partnerships, limited liability companies,  
15 and tax-option corporations may not claim the credit under this subsection, but the  
16 eligibility for, and the amount of, the credit are based on their payment of amounts  
17 under par. (ad). A partnership, limited liability company, or tax-option corporation  
18 shall compute the amount of credit that each of its partners, members, or  
19 shareholders may claim and shall provide that information to each of them.  
20 Partners, members of limited liability companies, and shareholders of tax-option  
21 corporations may claim the credit in proportion to their ownership interests.

22 **SECTION 1431b.** 71.47 (4m) (d) 3. of the statutes is created to read:

23 71.47 (4m) (d) 3. No credit may be claimed under this subsection for taxable  
24 years beginning after December 31, 2013. Credits under this subsection for taxable

1 years that begin before January 1, 2014, may be carried forward to taxable years that  
2 begin after December 31, 2013.

3 **SECTION 1431bb.** 71.47 (5) (ad) 1. of the statutes is amended to read:

4 71.47 (5) (ad) 1. Except as provided in subds. 2. and 3., for taxable year 1986  
5 and subsequent for taxable years that begin before January 1, 2014, any corporation  
6 may credit against taxes otherwise due under this chapter an amount equal to 5  
7 percent of the amount paid or incurred by that corporation during the taxable year  
8 to construct and equip new facilities or expand existing facilities used in this state  
9 for qualified research, as defined in section 41 of the Internal Revenue Code. Eligible  
10 amounts include only amounts paid or incurred for tangible, depreciable property  
11 but do not include amounts paid or incurred for replacement property.

12 **SECTION 1431bc.** 71.47 (5) (ad) 2. of the statutes is amended to read:

13 71.47 (5) (ad) 2. For taxable years beginning after June 30, 2007, and before  
14 January 1, 2014, any corporation may credit against taxes otherwise due under this  
15 chapter an amount equal to 10 percent of the amount paid or incurred by that  
16 corporation during the taxable year to construct and equip new facilities or expand  
17 existing facilities used in this state for qualified research, as defined in section 41 of  
18 the Internal Revenue Code, except that “qualified research expenses” includes only  
19 expenses paid or incurred by the claimant for research related to designing internal  
20 combustion engines for vehicles, including expenses related to designing vehicles  
21 that are powered by such engines and improving production processes for such  
22 engines and vehicles. Eligible amounts include only amounts paid or incurred for  
23 tangible, depreciable property but do not include amounts paid or incurred for  
24 replacement property.

25 **SECTION 1431bd.** 71.47 (5) (ad) 3. of the statutes is amended to read:

1           71.47 (5) (ad) 3. For taxable years beginning after June 30, 2007, and before  
2 January 1, 2014, any corporation may credit against taxes otherwise due under this  
3 chapter an amount equal to 10 percent of the amount paid or incurred by that  
4 corporation during the taxable year to construct and equip new facilities or expand  
5 existing facilities used in this state for qualified research, as defined in section 41 of  
6 the Internal Revenue Code, except that “qualified research expenses” includes only  
7 expenses paid or incurred by the claimant for research related to the design and  
8 manufacturing of energy efficient lighting systems, building automation and control  
9 systems, or automotive batteries for use in hybrid–electric vehicles, that reduce the  
10 demand for natural gas or electricity or improve the efficiency of its use. Eligible  
11 amounts include only amounts paid or incurred for tangible, depreciable property  
12 but do not include amounts paid or incurred for replacement property.

13           **SECTION 1431be.** 71.47 (5) (c) of the statutes is created to read:

14           71.47 (5) (c) *Sunset.* No credit may be claimed under this subsection for taxable  
15 years beginning after December 31, 2013. Credits under this subsection for taxable  
16 years that begin before January 1, 2014, may be carried forward to taxable years that  
17 begin after December 31, 2013.

18           **SECTION 1431c.** 71.47 (5e) (d) of the statutes is renumbered 71.47 (5e) (d) 1.

19           **SECTION 1431d.** 71.47 (5e) (d) 2. of the statutes is created to read:

20           71.47 (5e) (d) 2. No credit may be claimed under this subsection for taxable  
21 years beginning after December 31, 2013. Credits under this subsection for taxable  
22 years that begin before January 1, 2014, may be carried forward to taxable years that  
23 begin after December 31, 2013.

24           **SECTION 1431e.** 71.47 (5f) (d) 3. of the statutes is created to read:

1           71.47 (5f) (d) 3. No credit may be claimed under this subsection for taxable  
2 years beginning after December 31, 2013.

3           **SECTION 1431c.** 71.47 (5g) (a) of the statutes is amended to read:

4           71.47 (5g) (a) *Definitions.* In this subsection, “claimant” means an insurer, as  
5 defined in s. 149.10 (5), 2011 stats., who files a claim under this subsection.

6           **SECTION 1431d.** 71.47 (5g) (b) of the statutes is amended to read:

7           71.47 (5g) (b) *Filing claims.* Subject to the limitations provided under this  
8 subsection, for taxable years beginning after December 31, 2005, and before January  
9 1, 2014, a claimant may claim as a credit against the taxes imposed under s. 71.43  
10 an amount that is equal to the amount of assessment under s. 149.13, 2011 stats.,  
11 that the claimant paid in the claimant’s taxable year, multiplied by the percentage  
12 determined under par. (c) 1.

13           **SECTION 1431e.** 71.47 (5g) (c) 1. of the statutes is amended to read:

14           71.47 (5g) (c) 1. The department of revenue, in consultation with the office of  
15 the commissioner of insurance, shall determine the percentage under par. (b) for  
16 each claimant for each taxable year. The percentage shall be equal to \$5,000,000  
17 divided by the aggregate assessment under s. 149.13, 2011 stats. The office of the  
18 commissioner of insurance shall provide to each claimant that participates in the  
19 cost of administering the plan the aggregate assessment at the time that it notifies  
20 the claimant of the claimant’s assessment. The aggregate amount of the credit under  
21 this subsection and ss. 71.07 (5g), 71.28 (5g), and 76.655 for all claimants  
22 participating in the cost of administering the plan under ch. 149, 2011 stats., shall  
23 not exceed \$5,000,000 in each fiscal year.

24           **SECTION 1431f.** 71.47 (5g) (d) of the statutes is renumbered 71.47 (5g) (d) 1.

25           **SECTION 1431g.** 71.47 (5g) (d) 2. of the statutes is created to read:

1           71.47 (5g) (d) 2. No credit may be claimed under this subsection for taxable  
2 years beginning after December 31, 2013. Credits under this subsection for taxable  
3 years that begin before January 1, 2014, may be carried forward to taxable years that  
4 begin after December 31, 2013.

5           **SECTION 1431h.** 71.47 (5h) (d) 3. of the statutes is created to read:

6           71.47 (5h) (d) 3. No credit may be claimed under this subsection for taxable  
7 years beginning after December 31, 2013.

8           **SECTION 1432.** 71.47 (5i) (b) of the statutes is amended to read:

9           71.47 (5i) (b) *Filing claims.* Subject to the limitations provided in this  
10 subsection, for taxable years beginning after December 31, 2011, and before January  
11 1, 2014, a claimant may claim as a credit against the taxes imposed under s. 71.43,  
12 up to the amount of those taxes, an amount equal to 50 percent of the amount the  
13 claimant paid in the taxable year for information technology hardware or software  
14 that is used to maintain medical records in electronic form, if the claimant is a health  
15 care provider, as defined in s. 146.81 (1) (a) to (p).

16           **SECTION 1432b.** 71.47 (5j) (b) of the statutes is amended to read:

17           71.47 (5j) (b) *Filing claims.* Subject to the limitations provided in this  
18 subsection, for taxable years beginning after December 31, 2007, and before January  
19 1, 2018 2014, a claimant may claim as a credit against the taxes imposed under s.  
20 71.43, up to the amount of the taxes, an amount that is equal to 25 percent of the  
21 amount that the claimant paid in the taxable year to install or retrofit pumps located  
22 in this state that dispense motor vehicle fuel marketed as gasoline and 85 percent  
23 ethanol or a higher percentage of ethanol or motor vehicle fuel marketed as diesel  
24 fuel and 20 percent biodiesel fuel or that mix fuels from separate storage tanks and

1 allow the end user to choose the percentage of gasoline replacement renewable fuel  
2 or diesel replacement renewable fuel in the motor vehicle fuel dispensed.

3 **SECTION 1432d.** 71.47 (5j) (d) of the statutes is renumbered 71.47 (5j) (d) 1.

4 **SECTION 1432e.** 71.47 (5j) (d) 2. of the statutes is created to read:

5 71.47 (5j) (d) 2. No credit may be claimed under this subsection for taxable  
6 years beginning after December 31, 2013. Credits under this subsection for taxable  
7 years that begin before January 1, 2014, may be carried forward to taxable years that  
8 begin after December 31, 2013.

9 **SECTION 1434b.** 71.47 (5r) (d) of the statutes is renumbered 71.47 (5r) (d) 1.

10 **SECTION 1434c.** 71.47 (5r) (d) 2. of the statutes is created to read:

11 71.47 (5r) (d) 2. No credit may be claimed under this subsection for taxable  
12 years beginning after December 31, 2013. Credits under this subsection for taxable  
13 years that begin before January 1, 2014, may be carried forward to taxable years that  
14 begin after December 31, 2013.

15 **SECTION 1434d.** 71.47 (5rm) (b) (intro.) of the statutes is amended to read:

16 71.47 (5rm) (b) *Filing claims.* (intro.) Subject to the limitations provided in  
17 this subsection, for taxable years beginning after December 31, 2009, and before  
18 January 1, ~~2020~~ 2014, a claimant may claim as a credit against the tax imposed  
19 under s. 71.43, up to the amount of the tax, the amount determined as follows, except  
20 that the maximum amount that a claimant may claim in a taxable year under this  
21 subsection is \$300,000:

22 **SECTION 1434e.** 71.47 (5rm) (d) of the statutes is renumbered 71.47 (5rm) (d)

23 1.

24 **SECTION 1434f.** 71.47 (5rm) (d) 2. of the statutes is created to read:

1           71.47 (5rm) (d) 2. No credit may be claimed under this subsection for taxable  
2 years beginning after December 31, 2013. Credits under this subsection for taxable  
3 years that begin before January 1, 2014, may be carried forward to taxable years that  
4 begin after December 31, 2013.

5           **SECTION 1434e.** 71.47 (6) (a) of the statutes is renumbered 71.47 (6) (a) (intro.)  
6 and amended to read:

7           71.47 (6) (a) (intro.) Any person may credit against taxes otherwise due under  
8 this chapter, up to the amount of those taxes, an amount equal to ~~5%~~ one of the  
9 following percentages of the costs of qualified rehabilitation expenditures, as defined  
10 in section 47 (c) (2) of the ~~internal revenue code~~ Internal Revenue Code, for certified  
11 historic structures on property located in this state if the physical work of  
12 construction or destruction in preparation for construction begins after December  
13 31, 1988, and the rehabilitated property is placed in service after June 30, 1989.;

14           **SECTION 1434ec.** 71.47 (6) (a) 1. of the statutes is created to read:

15           71.47 (6) (a) 1. For taxable years beginning before January 1, 2013, 5 percent.

16           **SECTION 1434ef.** 71.47 (6) (a) 2. of the statutes is created to read:

17           71.47 (6) (a) 2. For taxable years beginning after December 31, 2012, 10  
18 percent.

19           **SECTION 1434g.** 71.47 (6n) (d) of the statutes is renumbered 71.47 (6n) (d) 1.

20           **SECTION 1434h.** 71.47 (6n) (d) 2. of the statutes is created to read:

21           71.47 (6n) (d) 2. No credit may be claimed under this subsection for taxable  
22 years beginning after December 31, 2012. Credits under this subsection for taxable  
23 years that begin before January 1, 2013, may be carried forward to taxable years that  
24 begin after December 31, 2012.

25           **SECTION 1434i.** 71.47 (8r) (d) of the statutes is renumbered 71.47 (8r) (d) 1.

1           **SECTION 1434j.** 71.47 (8r) (d) 2. of the statutes is created to read:

2           71.47 (8r) (d) 2. No credit may be claimed under this subsection for taxable  
3 years beginning after December 31, 2013.

4           **SECTION 1434k.** 71.47 (9s) (b) of the statutes is amended to read:

5           71.47 (9s) (b) *Filing claims.* Subject to the limitations provided under this  
6 subsection, for taxable years beginning after December 31, 2010, and before January  
7 1, 2014, for 2 consecutive taxable years beginning with the taxable year in which the  
8 claimant's business locates to this state from another state or another country and  
9 begins doing business in this state, a claimant may claim as a credit against the taxes  
10 imposed under s. 71.43, up to the amount of the taxes, the amount of the claimant's  
11 tax liability under this subchapter after applying all other allowable credits,  
12 deductions, and exclusions.

13           **SECTION 1434L.** 71.47 (9s) (d) 3. of the statutes is created to read:

14           71.47 (9s) (d) 3. No credit may be claimed under this subsection for taxable  
15 years beginning after December 31, 2013. Credits under this subsection for taxable  
16 years that begin before January 1, 2014, may be carried forward to taxable years that  
17 begin after December 31, 2013.

18           **SECTION 1434t.** 71.61 (6) of the statutes is amended to read:

19           71.61 (6) PROHIBITION OF NEW CLAIMS. For taxable years beginning after  
20 December 31, 2009, no new claims for a credit may be filed under ss. 71.57 to 71.61,  
21 but if an otherwise eligible claimant is subject to a farmland preservation agreement,  
22 as defined in s. 91.01 (7), 2007 stats., that is in effect on July 1, 2010, the claimant  
23 may continue to file a claim for the credit under ss. 71.57 to 71.61 until the farmland  
24 preservation agreement expires, except that no claimant who files a claim under ss.  
25 71.57 to 71.61 may file a claim under s. 71.613 or apply for a grant under s. 91.90.

1           **SECTION 1435c.** 71.613 (3) (f) of the statutes is amended to read:

2           71.613 (3) (f) The maximum amount of the credits that may be claimed under  
3 this section in ~~any~~ the 2011-2012 fiscal year and the 2012-2013 fiscal year is  
4 \$27,007,200. If the total amount of eligible claims exceed this amount, the excess  
5 claims shall be paid in the next succeeding fiscal year to ensure that the limit  
6 specified in this paragraph is not exceeded.

7           **SECTION 1437c.** 71.613 (3) (g) of the statutes is amended to read:

8           71.613 (3) (g) For the 2011-2012 fiscal year, and for ~~every succeeding the~~  
9 2012-2013 fiscal year, the department shall prorate the per acre amounts specified  
10 in sub. (2) based on the department's estimated amount of eligible claims that will  
11 be filed for that fiscal year, and to account for any excess claims from the preceding  
12 fiscal year that are required to be paid under par. (f).

13           **SECTION 1437e.** 71.613 (5) of the statutes is created to read:

14           71.613 (5) PROHIBITION OF NEW CLAIMS. For taxable years beginning after  
15 December 31, 2013, no new claims for a credit may be filed under this section. If an  
16 otherwise eligible claimant is subject to a farmland preservation agreement that is  
17 entered into after July 1, 2009, and before the effective date of this subsection ....  
18 [LRB inserts date], the claimant may continue to claim the benefit for the credit that  
19 the claimant would otherwise be eligible for under this section, until the farmland  
20 preservation agreement expires, by filing a claim for a grant under s. 91.90.

21           **SECTION 1438.** 71.64 (9) (b) (intro.) of the statutes is amended to read:

22           71.64 (9) (b) (intro.) The department shall from time to time adjust the  
23 withholding tables to reflect any changes in income tax rates, any applicable surtax  
24 or any changes in dollar amounts in s. 71.06 (1), (1m), (1n), (1p), ~~(1q)~~, and (2) resulting  
25 from statutory changes, except as follows:

1           **SECTION 1438c.** 71.65 (4) of the statutes is repealed.

2           **SECTION 1439.** 71.67 (5) (a) of the statutes is amended to read:

3           71.67 (5) (a) *Wager winnings.* A person holding a license to sponsor and  
4 manage races under s. 562.05 (1) (b) or (c) shall withhold from the amount of any  
5 payment of pari-mutuel winnings under s. 562.065 (3) (a) or (3m) (a) an amount  
6 determined by multiplying the amount of the payment by the highest rate applicable  
7 to individuals under s. 71.06 (1) (a) to (c), (1m), (1n) ~~or~~, (1p), or (1q) if the amount of  
8 the payment is more than \$1,000.

9           **SECTION 1440.** 71.67 (5m) of the statutes is amended to read:

10           71.67 (5m) WITHHOLDING FROM PAYMENTS TO PURCHASE ASSIGNMENT OF LOTTERY  
11 PRIZE. A person that purchases an assignment of a lottery prize shall withhold from  
12 the amount of any payment made to purchase the assignment the amount that is  
13 determined by multiplying the amount of the payment by the highest rate applicable  
14 to individuals under s. 71.06 (1) (a) to (c), (1m), (1n) ~~or~~, (1p), or (1q). Subsection (5)  
15 (b), (c) and (d), as it applies to the amounts withheld under sub. (5) (a), applies to the  
16 amount withheld under this subsection.

17           **SECTION 1440c.** 71.78 (4) (i) of the statutes is repealed.

18           **SECTION 1440t.** 71.78 (11) of the statutes is created to read:

19           71.78 (11) DISCLOSURE OF INFORMATION CONCERNING GRANT ELIGIBILITY. The  
20 department may disclose to the department of agriculture, trade and consumer  
21 protection whether any person in the household of a person who applies for a grant  
22 under s. 91.90 has claimed a credit under subch. VIII of this chapter.

23           **SECTION 1440d.** 71.80 (13) of the statutes is repealed.

24           **SECTION 1440e.** 71.82 (1) (b) of the statutes is amended to read:

1           71.82 (1) (b) Except as otherwise specifically provided, in crediting  
2 overpayments of income and surtaxes against underpayments or against taxes to be  
3 subsequently collected and in certifying refunds of such taxes interest shall be added  
4 at the rate of ~~9%~~ 3 percent per year from the date on which such taxes when assessed  
5 would have become delinquent if unpaid to the date on which such overpayment was  
6 certified for refund except that if any overpayment of tax is certified for refund within  
7 90 days after the last date prescribed for filing the return of such tax or 90 days after  
8 the date of actual filing of the return of such tax, whichever occurs later, no interest  
9 shall be allowed on such overpayment. For purposes of this section the return of such  
10 tax shall not be deemed actually filed by an employee unless and until the employee  
11 has included the written statement required to be filed under s. 71.65 (1). However  
12 when any part of a tax paid on an estimate of income, whether paid in connection with  
13 a tentative return or not, is refunded or credited to a taxpayer, such refund or credit  
14 shall not draw interest.

15           **SECTION 1441.** 71.83 (1) (a) 11. of the statutes is created to read:

16           71.83 (1) (a) 11. ‘Negligently filed claims.’ A person who negligently files an  
17 incorrect claim for refund of tax, or credits, under this chapter is subject to a penalty  
18 of 25 percent of the difference between the amount claimed and the amount that  
19 should have been claimed.

20           **SECTION 1442.** 71.83 (1) (b) 7. of the statutes is created to read:

21           71.83 (1) (b) 7. ‘Fraudulently filed claims.’ A person who fraudulently files an  
22 incorrect claim for refund of tax, or credits, under this chapter is subject to a penalty  
23 of 100 percent of the difference between the amount claimed and the amount that  
24 should have been claimed.

25           **SECTION 1443.** 71.83 (2) (b) 1. of the statutes is amended to read:

1           71.83 (2) (b) 1. ‘False income tax return; fraud.’ Any person, other than a  
2 corporation or limited liability company, who renders a false or fraudulent income  
3 tax return with intent to defeat or evade any assessment required by this chapter,  
4 or to obtain a refund or credit with fraudulent intent, is guilty of a Class H felony and  
5 may be assessed the cost of prosecution. In this subdivision, “return” includes a  
6 separate return filed by a spouse with respect to a taxable year for which a joint  
7 return is filed under s. 71.03 (2) (g) to (L) after the filing of that separate return, and  
8 a joint return filed by the spouses with respect to a taxable year for which a separate  
9 return is filed under s. 71.03 (2) (m) after the filing of that joint return.

10           **SECTION 1444.** 71.83 (5) of the statutes is created to read:

11           71.83 (5) INELIGIBILITY TO CLAIM CERTAIN CREDITS. (a) *Definitions.* In this  
12 subsection:

13           1. “Credit” means the earned income tax credit under s. 71.07 (9e), the  
14 homestead credit under subch. VIII, the farmland preservation credit under subch.  
15 IX, or any refundable credit under s. 71.07, 71.28, or 71.47.

16           2. “Fraudulent claim” means a claim for a credit, filed by a person, that is false  
17 or excessive and filed with fraudulent intent, as determined by the department.

18           3. “Reckless claim” means a claim for a credit, filed by a person, that is  
19 improper, due to reckless or intentional disregard of the provisions in this chapter  
20 or of rules and regulations of the department, as determined by the department.

21           (b) *Disallowance period.* 1. A person who files a fraudulent claim may not file  
22 a claim for a credit for 10 successive taxable years, beginning with the taxable year  
23 that begins immediately after the taxable year for which the department determined  
24 that the person filed a fraudulent claim.

1           2. A person who files a reckless claim may not file a claim for a credit for 2  
2 successive taxable years, beginning with the taxable year that begins immediately  
3 after the taxable year for which the department determined that the person filed a  
4 reckless claim.

5           (c) *Reinstatement.* After the period described under par. (b) during which a  
6 person may not file a claim for a credit, the person may file a claim for a credit, subject  
7 to any requirements that the department may impose on the person to demonstrate  
8 that the person is eligible to claim the credit.

9           **SECTION 1444d.** 71.90 (1) of the statutes is amended to read:

10           71.90 (1) DEPOSIT. The department shall notify any person who files a petition  
11 for redetermination that the person may deposit the amount of an additional  
12 assessment, including any interest or penalty, with the department, or with a person  
13 that the department prescribes, at any time before the department makes its  
14 redetermination. The department shall notify spouses jointly except that, if the  
15 spouses have different addresses and if either spouse notifies the department in  
16 writing of those addresses, the department shall serve a duplicate of the original  
17 notice on the spouse who has the address other than the address to which the original  
18 notice was sent. Amounts deposited under this subsection shall be subject to the  
19 interest provided by s. 71.82 only to the extent of the interest accrued prior to the first  
20 day of the month succeeding the date of deposit. Any deposited amount which is  
21 refunded shall bear interest at the rate of ~~9%~~ 3 percent per year during the time the  
22 funds were on deposit. A person may also pay any portion of an assessment which  
23 is admitted to be correct and the payment shall be considered an admission of the  
24 validity of that portion of the assessment and may not be recovered in an appeal or  
25 in any other action or proceeding.

1           **SECTION 1445.** 71.91 (6) (a) 1. of the statutes is renumbered 71.91 (6) (a) 1g.

2           **SECTION 1446.** 71.91 (6) (a) 1d. of the statutes is created to read:

3           71.91 (6) (a) 1d. “Continuous levy” means a levy that is in effect from the date  
4 on which it is served on a 3rd party until the liability out of which the levy arose is  
5 satisfied or until the levy is released, whichever occurs first.

6           **SECTION 1447.** 71.91 (6) (a) 2n. of the statutes is created to read:

7           71.91 (6) (a) 2n. “Noncontinuous levy” means a levy that is in effect on the date  
8 on which it is served on a 3rd party.

9           **SECTION 1448.** 71.91 (6) (b) of the statutes is amended to read:

10           71.91 (6) (b) *Powers of levy and distraint.* If any person who is liable for any  
11 tax administered by the department neglects or refuses to pay that tax within 10  
12 days after that tax becomes delinquent, the department may collect that tax and the  
13 expenses of the levy by levy upon, and sale of, any property belonging to that person  
14 or any property on which there is a lien as provided by sub. (4) in respect to that  
15 delinquent tax. Whenever any property that has been levied upon under this section  
16 is not sufficient to satisfy the claim of the department, the department may levy upon  
17 any other property liable to levy of the person against whom that claim exists until  
18 the taxes and expenses of the levy are fully paid. A levy imposed under this  
19 paragraph may be continuous or noncontinuous, except that a levy on commissions,  
20 wages, or salaries is continuous until the liability out of which it arose is satisfied.

21           **SECTION 1449.** 71.91 (6) (f) 1. of the statutes is amended to read:

22           71.91 (6) (f) 1. As soon as practicable after obtaining property, the department  
23 shall notify, in writing the manner prescribed by the department, the owner of any  
24 real or personal property, and, at the possessor’s request, the possessor of any  
25 personal property, obtained by the department under this subsection. That notice

1 may be left at the person's usual place of residence or business. If the owner cannot  
2 be located or has no dwelling or place of business in this state, or if the property is  
3 obtained as a result of a continuous levy on commissions, wages or salaries, the  
4 department may mail a notice to the owner's last-known address. That notice shall  
5 specify the sum demanded and shall contain, in the case of personal property, an  
6 account of the property obtained and, in the case of real property, a description with  
7 reasonable certainty of the property seized.

8 **SECTION 1450.** 71.91 (6) (f) 2. of the statutes is amended to read:

9 71.91 (6) (f) 2. As soon as practicable after obtaining property, the department  
10 ~~shall notify the owner in the manner prescribed under subd. 1. and shall cause a~~  
11 notice of the sale to be published in a newspaper published or generally circulated  
12 within the county where the property was obtained. If there is no newspaper  
13 published or generally circulated in that county, the department shall post that  
14 notice at the city, town or village hall nearest the place where the property was  
15 obtained and in at least 2 other public places. That notice shall specify the property  
16 to be sold and the time, place, manner and conditions of the sale.

17 **SECTION 1451.** 71.93 (3) (a) of the statutes is renumbered 71.93 (3) (a) (intro.)  
18 and amended to read:

19 71.93 (3) (a) (intro.) The department of revenue shall setoff any debt or other  
20 amount owed to the department, regardless of the origin of the debt or of the amount,  
21 its nature or its date. If after the setoff there remains a refund in excess of \$10, the  
22 department shall set off the remaining refund against certified debts of other state  
23 agencies. entities in the following order:

24 (am) If more than one certified debt exists for any debtor for the same type of  
25 debt specified under par. (a) 1. to 9., the refund shall be first set off against the

1 earliest debt certified, except that no child support or spousal support obligation  
2 submitted by an agency of another state may be set off until all debts owed to and  
3 certified by state agencies of this state have been set off. When all debts have been  
4 satisfied, any remaining refund shall be refunded to the debtor by the department.  
5 Any legal action contesting a setoff under this paragraph shall be brought against  
6 the ~~state agency~~ entity that certified the debt ~~under sub. (2)~~.

7 **SECTION 1452.** 71.93 (3) (a) 1. to 9. of the statutes are created to read:

8 71.93 (3) (a) 1. Debt under s. 49.855 (1), certified by the department of children  
9 and families under sub. (2).

10 2. State agency debt collected pursuant to an agreement under sub. (8) and debt  
11 owed to the courts, the legislature, or an authority, as defined in s. 16.41 (4), collected  
12 pursuant to an agreement under sub. (8).

13 3. Debt owed to local units of government collected pursuant to an agreement  
14 under sub. (8).

15 4. Debt certified under sub. (2), other than child support debt certified by the  
16 department of children and families.

17 5. Child support or spousal support obligations submitted by an agency of  
18 another state.

19 6. Debt certified under s. 71.935 (2).

20 7. Federal tax obligations collected pursuant to an agreement under s. 73.03  
21 (52) (a).

22 8. Tribal obligations collected pursuant to an agreement under s. 73.03 (52n).

23 9. Tax and nontax obligations of other states, and of the local governmental  
24 units within those states, collected pursuant to an agreement under s. 73.03 (52m).

25 **SECTION 1453.** 71.93 (8) (b) 6. of the statutes is amended to read:

1           71.93 (8) (b) 6. If the debtor owes debt to the department and to other entities,  
2           payments shall first apply to debts owed to the department, then to the state  
3           agencies, ~~the courts, the legislature, and authorities, as defined in s. 16.41 (4), in the~~  
4           order in which the debts were referred to the department, and then to local units of  
5           government in the order in which the debts were referred to the department other  
6           entities in the order determined under sub. (3) (a).

7           **SECTION 1453d.** 71.98 (3) of the statutes is created to read:

8           71.98 (3) DEPRECIATION, DEPLETION, AND AMORTIZATION. For taxable years  
9           beginning after December 31, 2013, and for purposes of computing depreciation,  
10          depletion, and amortization, the Internal Revenue Code means the federal Internal  
11          Revenue Code in effect on January 1, 2014.

12          **SECTION 1453e.** 71.98 (4) of the statutes is created to read:

13          71.98 (4) EXPENSING OF DEPRECIABLE BUSINESS ASSETS. For taxable years  
14          beginning after December 31, 2013, sections 179, 179A, 179B, 179C, 179D, and 179E  
15          of the Internal Revenue Code and related to expensing of depreciable business  
16          assets. For purposes of this subsection, the Internal Revenue Code means the federal  
17          Internal Revenue Code in effect for the year in which property is placed in service.

18          **SECTION 1453e.** 71.98 (5) of the statutes is created to read:

19          71.98 (5) GAIN FROM SMALL BUSINESS STOCK. For stock acquired after December  
20          31, 2013, section 1202 of the Internal Revenue Code, as amended to December 31,  
21          2012, related to the exclusion for gain from certain small business stock.

22          **SECTION 1453d.** 72.36 of the statutes is created to read:

23          **72.36 Sunset.** The tax imposed under this chapter does not apply to deaths  
24          occurring after December 31, 2012, unless the federal estate tax law is modified to  
25          provide a federal estate tax credit for state death taxes.

1           **SECTION 1454.** 73.03 (27) of the statutes is amended to read:

2           73.03 (27) ~~To With regard to taxes and fees administered by the department,~~  
3 ~~to write off from the records of the department income, franchise, sales, use,~~  
4 ~~withholding, motor fuel, gift, beverage and cigarette tax, fee, and economic~~  
5 ~~development surcharge liabilities, following a determination by the secretary of~~  
6 ~~revenue that they are not collectible. Taxes written off under this subsection remain~~  
7 ~~legal obligations.~~

8           **SECTION 1455.** 73.03 (52) (a) of the statutes is amended to read:

9           73.03 (52) (a) To enter into agreements with the Internal Revenue Service that  
10 provide for offsetting state tax refunds against federal tax obligations; and to charge  
11 a fee up to \$25 per transaction for such offsets; and offsetting federal tax refunds  
12 against state tax obligations, and collecting the offset cost from the debtor, if the  
13 agreements provide that setoffs under ss. 71.93 and 71.935 occur before the setoffs  
14 under those agreements.

15           **SECTION 1456.** 73.03 (52m) of the statutes is amended to read:

16           73.03 (52m) To enter into agreements with other states that provide for  
17 offsetting state tax refunds against tax and nontax obligations of other states, and  
18 of the local governmental units within those states, and offsetting tax refunds of  
19 other states against state tax and nontax obligations, if the agreements provide that  
20 setoffs under ss. 71.93 and 71.935 occur before the setoffs under those agreements.

21           **SECTION 1457.** 73.03 (63) of the statutes is amended to read:

22           73.03 (63) Notwithstanding the amount limitations specified under s. ~~71.07~~  
23 ~~(5d)(e) 1. and s. 238.15 (3)(d) or s. 560.205 (3)(d), 2009 stats.,~~ or s. 238.15 (3)(d), in  
24 consultation with ~~the department of commerce or the Wisconsin Economic~~  
25 ~~Development Corporation,~~ to carry forward to subsequent taxable years unclaimed

1 credit amounts of the early stage seed investment credits under ss. 71.07 (5b), 71.28  
2 (5b), 71.47 (5b), and 76.638 and the angel investment credit under s. 71.07 (5d).  
3 Annually, no later than July 1, the ~~department of commerce or the~~ Wisconsin  
4 Economic Development Corporation shall submit to the department of revenue its  
5 recommendations for the carry forward of credit amounts as provided under this  
6 subsection.

7 **SECTION 1458.** 73.03 (66) of the statutes is repealed.

8 **SECTION 1459.** 73.03 (69) of the statutes is created to read:

9 73.03 (69) (a) To, effective on January 1, 2014, implement a program to register  
10 businesses for purposes of s. 71.05 (25) and (26). A business shall register  
11 electronically with the department each year for which the business desires  
12 registration.

13 (b) A business may register under this subsection if, in the business's taxable  
14 year ending immediately before the date of the businesses registration, all of the  
15 following apply:

16 1. The business has at least 2 full-time employees and the amount of payroll  
17 compensation paid by the business in this state is equal to at least 50 percent of the  
18 amount of all payroll compensation paid by the business.

19 2. The value of real and tangible personal property owned or rented and used  
20 by the business in this state is equal to at least 50 percent of the value of all real and  
21 tangible personal property owned or rented and used by the business.

22 (c) The department may adopt rules for the administration of this subsection.

23 (d) For each year beginning after December 31, 2013, the department shall  
24 compile a list of businesses registered under this subsection and shall make the list  
25 available to the public at the department's Internet site.

1           **SECTION 1460d.** 73.03 (71) of the statutes is created to read:

2           73.03 (71) (a) To determine the amount of additional revenue that the  
3 department collected from the taxes imposed under subch. III of ch. 77 as a result of  
4 any federal law to expand the state’s authority to require out-of-state retailers to  
5 collect and remit the taxes imposed under subch. III of ch. 77 on purchases by  
6 Wisconsin residents during the first 12 months following the date on which the  
7 department begins collecting the additional revenue as a result of a change in federal  
8 law.

9           (b) After the department makes the determination under par. (a), the  
10 department shall determine how much the individual income tax rates under s.  
11 71.06 may be reduced in the following taxable year in order to eliminate the  
12 alternative minimum tax under s. 71.08 and decrease individual income tax revenue  
13 by the amount determined under par. (a). For purposes of this paragraph, the  
14 department shall calculate the tax rate reductions in proportion to the share of gross  
15 tax attributable to each of the tax brackets under s. 71.06 in effect during the most  
16 recently completed taxable year.

17           (c) The department shall certify the determinations made under pars. (a) and  
18 (b) to the secretary of the department of administration, to the governor, and to the  
19 legislature and specify with that certification that the elimination of the alternative  
20 minimum tax and the new tax rates take effect in the taxable year following the  
21 taxable year in which the department makes the certification under this paragraph.

22           **SECTION 1461.** 73.0301 (1) (d) 6. of the statutes is amended to read:

23           73.0301 (1) (d) 6. A license or certificate of registration issued by the  
24 department of financial institutions, or a division of it, under ss. 138.09, 138.12,

1 138.14, 202.12 to 202.14, 202.22, 217.06, 218.0101 to 218.0163, 218.02, 218.04,  
2 218.05, 224.72, 224.725, 224.93 or under subch. IV of ch. 551.

3 **SECTION 1462.** 73.0301 (1) (d) 6m. of the statutes is created to read:

4 73.0301 (1) (d) 6m. A certificate or registration issued under 168.23 (3).

5 **SECTION 1462n.** 73.0301 (1) (d) 12. of the statutes is amended to read:

6 73.0301 (1) (d) 12. A license issued under s. 628.04, 628.92 (1), 632.69 (2), or  
7 633.14, a registration under s. 628.92 (2), or a temporary license issued under s.  
8 628.09.

9 **SECTION 1463.** 73.0301 (1) (e) of the statutes is amended to read:

10 73.0301 (1) (e) “Licensing department” means the department of  
11 administration; the department of agriculture, trade and consumer protection; the  
12 board of commissioners of public lands; the department of children and families; the  
13 government accountability board; the department of financial institutions; the  
14 department of health services; the department of natural resources; the department  
15 of public instruction; the department of safety and professional services; the  
16 department of workforce development; the office of the commissioner of insurance;  
17 or the department of transportation.

18 **SECTION 1464.** 73.16 (1) (a) of the statutes is repealed.

19 **SECTION 1465.** 73.16 (1) (ab) of the statutes is created to read:

20 73.16 (1) (ab) “Combined group” has the meaning given in s. 71.255 (1) (a).

21 **SECTION 1466.** 73.16 (3) of the statutes is created to read:

22 73.16 (3) RELYING ON PAST AUDITS. (a) A person who is subject to an audit  
23 determination by the department, including all other members of that person’s  
24 combined group for purposes of determining the tax due under s. 71.23 for taxable  
25 years beginning after December 31, 2008, shall not be liable for any amount that the

1 department asserts that the person owes if all of the following conditions are  
2 satisfied:

3 1. The liability asserted by the department is the result of a tax issue during  
4 the period associated with a prior audit determination for which the person is subject  
5 to and the tax issue is the same as the tax issue during the period associated with  
6 the current audit determination.

7 2. A department employee who was involved in the prior audit determination  
8 identified or reviewed the tax issue before completing the prior audit determination,  
9 as shown by any schedules, exhibits, audit reports, documents, or other written  
10 evidence pertaining to the audit determination, and the schedules, exhibits, reports,  
11 documents and other written evidence show that the department did not adjust the  
12 person's treatment of the tax issue.

13 3. The liability asserted by the department as described under subd. 1. was not  
14 asserted in the prior audit determination.

15 (b) This subsection does not apply to any period associated with an audit  
16 determination, if the period begins after the promulgation of a rule, dissemination  
17 of written guidance to the public or to the person who is subject to the audit  
18 determination, the effective date of a statute, or the date on which a tax appeals  
19 commission or court decision becomes final and conclusive and if the rule, guidance,  
20 statute, or decision imposes the liability as a result of the tax issue described in par.

21 (a) 1. This subsection does not apply to any period associated with an audit  
22 determination if the taxpayer did not give the department employee adequate and  
23 accurate information regarding the tax issue in the prior audit determination or if  
24 the tax issue was settled in the prior audit determination by a written agreement  
25 between the department and the taxpayer.

1           **SECTION 1467.** 76.14 of the statutes is amended to read:

2           **76.14 Remedies for nonpayment of taxes.** All taxes levied under this  
3 subchapter upon the property of any company defined in s. 76.02, which are not paid  
4 at the time provided by law, shall thereupon become delinquent and bear interest at  
5 the rate of 1.5% per month until actually paid. Upon a showing by the department  
6 under s. 73.16 (4), the failure of any such company to pay the taxes and interest so  
7 required of the company within 60 days after the entry of final judgment dismissing  
8 in whole or in part any action of the company to restrain or set aside a tax, or the  
9 failure of the company within 60 days after the entry of final judgment in favor of the  
10 state for the taxes and interest to pay the judgment shall be cause for forfeiture of  
11 all the rights, privileges and franchises granted by special charter or obtained under  
12 general laws, by or under which the company is organized and its business is  
13 operated. The attorney general upon the showing by the department under s. 73.16  
14 (4) shall proceed by action to have forfeiture of such rights, privileges and franchises  
15 of the company duly declared. Any such company, at any time before the final  
16 judgment for forfeiture of such rights, privileges and franchises is rendered, may be  
17 permitted, absent a showing by the department under s. 73.16 (4), to pay the taxes,  
18 interest and the costs of the action upon special application to the court in which the  
19 action is pending upon such terms as the court directs. Section 71.91, as it applies  
20 to the collection of delinquent taxes under ch. 71, applies to the collection of  
21 delinquent taxes under this subchapter.

22           **SECTION 1467g.** 76.24 (2) (am) of the statutes is renumbered 76.24 (2) (am) 1.

23           **SECTION 1467h.** 76.24 (2) (am) 2. of the statutes is created to read:

24           76.24 (2) (am) 2. If a municipality received a distribution under subd. 1. in 2011,  
25 the amount that the municipality receives under subd. 1. in 2013, and in each year

1 thereafter, shall be no less than the amount received in 2011, except that, if the  
2 annual amount of the tax paid under this subchapter by the pipeline company with  
3 oil pipeline terminal facilities in the municipality is less than 200 percent of the  
4 amount of the payment the municipality received in 2011 attributable to the pipeline  
5 company, the amount shall be no less than an amount equal to 50 percent of the  
6 annual total tax paid under this subchapter by the pipeline company with oil pipeline  
7 terminal facilities in the municipality.

8 **SECTION 1468.** 76.636 (1) (d) of the statutes is amended to read:

9 76.636 (1) (d) “Full-time job” ~~means a regular, nonseasonal, full-time position~~  
10 ~~in which an individual, as a condition of employment, is required to work at least~~  
11 ~~2,080 hours per year, including paid leave and holidays, and for which the individual~~  
12 ~~receives pay that is equal to at least 150 percent of the federal minimum wage and~~  
13 ~~receives benefits that are not required by federal or state law. “Full-time job” does~~  
14 ~~not include initial training before an employment position begins~~ has the meaning  
15 given in s. 238.30 (2m).

16 **SECTION 1469.** 76.636 (1) (e) 3. of the statutes is amended to read:

17 76.636 (1) (e) 3. A person who is employed in a trial job, as defined in s. 49.141  
18 (1) (n), 2011 stats., or in a ~~real work, real pay project position under s. 49.147 (3m)~~  
19 trial employment match program job, as defined in s. 49.141 (1) (n).

20 **SECTION 1470.** 76.636 (2) (b) of the statutes is amended to read:

21 76.636 (2) (b) The amount determined by multiplying the amount determined  
22 under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number of full-time  
23 jobs created in a development zone and filled by a member of a targeted group and  
24 by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and~~  
25 ~~reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

1           **SECTION 1471.** 76.636 (2) (c) of the statutes is amended to read:

2           76.636 (2) (c) The amount determined by multiplying the amount determined  
3           under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full-time  
4           jobs created in a development zone and not filled by a member of a targeted group  
5           and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and~~  
6           ~~reimbursements paid under s. 49.147 (3m) (e)~~ for those jobs.

7           **SECTION 1472.** 76.636 (2) (d) of the statutes is amended to read:

8           76.636 (2) (d) The amount determined by multiplying the amount determined  
9           under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the number of  
10          full-time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009  
11          stats., excluding jobs for which a credit has been claimed under s. 71.47 (1dj), in an  
12          enterprise development zone under s. 238.397 or s. 560.797, 2009 stats., and for  
13          which significant capital investment was made and by then subtracting the  
14          subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid~~  
15          ~~under s. 49.147 (3m) (e)~~ for those jobs.

16          **SECTION 1473.** 76.636 (2) (e) of the statutes is amended to read:

17          76.636 (2) (e) The amount determined by multiplying the amount determined  
18          under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full-time  
19          jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats.,  
20          excluding jobs for which a credit has been claimed under s. 71.47 (1dj), in a  
21          development zone and not filled by a member of a targeted group and by then  
22          subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and~~  
23          ~~reimbursements paid under s. 49.147 (3m) (e)~~ for those jobs.

24          **SECTION 1473c.** 76.655 (1) of the statutes is amended to read:

1           76.655 (1) DEFINITIONS. In this section, "claimant" means an insurer, as defined  
2 in s. 149.10 (5), 2011 stats., who files a claim under this section.

3           **SECTION 1473d.** 76.655 (2) of the statutes is amended to read:

4           76.655 (2) FILING CLAIMS. Subject to the limitations provided under this section,  
5 for taxable years beginning after December 31, 2005, and before January 1, 2014, a  
6 claimant may claim as a credit against the fees imposed under ss. 76.60, 76.63, 76.65,  
7 76.66 or 76.67 an amount that is equal to the amount of assessment under s. 149.13,  
8 2011 stats., that the claimant paid in the claimant's taxable year, multiplied by the  
9 percentage determined under sub. (3).

10           **SECTION 1473e.** 76.655 (3) (a) of the statutes is amended to read:

11           76.655 (3) (a) The department of revenue, in consultation with the office of the  
12 commissioner of insurance, shall determine the percentage under sub. (2) for each  
13 claimant for each taxable year. The percentage shall be equal to \$5,000,000 divided  
14 by the aggregate assessment under s. 149.13, 2011 stats. The office of the  
15 commissioner of insurance shall provide to each claimant that participates in the  
16 cost of administering the plan the aggregate assessment at the time that it notifies  
17 the claimant of the claimant's assessment. The aggregate amount of the credit under  
18 this subsection and ss. 71.07 (5g), 71.28 (5g), and 71.47 (5g) for all claimants  
19 participating in the cost of administering the plan under ch. 149, 2011 stats., shall  
20 not exceed \$5,000,000 in each fiscal year.

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21           **SECTION 1474.** 76.84 (5) of the statutes is created to read:

22           76.84 (5) Section 71.91, as it applies to the collection of delinquent taxes under  
23 ch. 71, applies to the collection of delinquent taxes under this subchapter.

24           **SECTION 1475.** 77.51 (2d) of the statutes is created to read:

1           77.51 (2d) “Custom farming services” include services performed by a  
2 veterinarian to animals that are farm livestock or work stock and used exclusively  
3 in the business of farming.

4           **SECTION 1476.** 77.51 (10f) of the statutes is amended to read:

5           77.51 (10f) “Prepaid wireless calling service” means a telecommunications  
6 service that provides the right to utilize mobile wireless service as well as other  
7 nontelecommunications services, including the download of digital products  
8 delivered electronically, content, and ancillary services, and that is paid for prior to  
9 use and sold in predetermined dollar units ~~whereby the number of units declines or~~  
10 dollars that decrease with use in a known amount.

11          **SECTION 1477.** 77.51 (10m) (a) 3. (intro.) of the statutes is amended to read:

12          77.51 (10m) (a) 3. (intro.) Food and food ingredients sold with eating utensils  
13 that are provided by the retailer of the food and food ingredients, including plates,  
14 bowls, knives, forks, spoons, glasses, cups, napkins, or straws. In this subdivision,  
15 “plate” does not include a container or packaging used to transport food and food  
16 ingredients. For purposes of this subdivision, a retailer provides utensils if any of  
17 the following applies:

18          **SECTION 1478.** 77.51 (10m) (a) 3. b. of the statutes is amended to read:

19          77.51 (10m) (a) 3. b. For retailers not described under subd. 3. a., the retailer’s  
20 customary practice is to physically give or hand the utensils to the purchaser, except  
21 that plates, bowls, glasses, or cups that are necessary for the purchaser to receive the  
22 food and food ingredients need only be made available to the purchaser.

23          **SECTION 1479.** 77.51 (11d) of the statutes is amended to read:

24          77.51 (11d) For purposes of subs. (1ag), (1f), (3pf), and (9p) and ss. 77.52 (20)  
25 and (21), 77.522, and 77.54 (51) ~~and~~, (52), and (60), “product” includes tangible

1 personal property, and items, property, and goods under s. 77.52 (1) (b), (c), and (d),  
2 and services.

3 **SECTION 1480.** 77.51 (11m) of the statutes is amended to read:

4 77.51 (11m) “Prosthetic device” means a replacement, corrective, or supportive  
5 device, including the repair parts and replacement parts for the device, that is placed  
6 in or worn on the body to artificially replace a missing portion of the body; to prevent  
7 or correct a physical deformity or malfunction; or to support a weak or deformed  
8 portion of the body.

9 **SECTION 1481.** 77.51 (12m) (a) 2. of the statutes is amended to read:

10 77.51 (12m) (a) 2. The cost of materials used, labor or service cost, interest,  
11 losses, all costs of transportation to the seller, all taxes imposed on the seller, except  
12 as provided in par. (b) 3m., and any other expense of the seller.

13 **SECTION 1482.** 77.51 (12m) (b) 3m. of the statutes is created to read:

14 77.51 (12m) (b) 3m. Taxes imposed on the seller that are separately stated on  
15 the invoice, bill of sale, or similar document that the seller gives to the purchaser if  
16 the law imposing or authorizing the tax provides that the seller may, but is not  
17 required to, pass on to and collect the tax from the user or consumer.

18 **SECTION 1483.** 77.51 (15b) (a) 2. of the statutes is amended to read:

19 77.51 (15b) (a) 2. The cost of materials used, labor or service cost, interest,  
20 losses, all costs of transportation to the seller, all taxes imposed on the seller, except  
21 as provided in par. (b) 3m., and any other expense of the seller.

22 **SECTION 1484.** 77.51 (15b) (b) 3m. of the statutes is created to read:

23 77.51 (15b) (b) 3m. Taxes imposed on the seller that are separately stated on  
24 the invoice, bill of sale, or similar document that the seller gives to the purchaser if