

No. 56, S.]

[Published May 24, 1955.]

CHAPTER 131

AN ACT to amend 71.10 (6) (ab) and (12), and 71.15 (as created by chapter 3 (Bill No. 1, A.), laws of 1955), of the statutes, relating to extending time for filing income tax returns in certain cases by persons in the armed forces and the time for reporting for income tax purposes renegotiation rebates received from the federal government in connection with war contracts.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 71.10 (6) (ab) of the statutes is amended to read:

71.10 (6) (ab) An extension of time for filing a return of income for the calendar or corresponding fiscal year * * * 1955 and 1956 shall be granted to any person in the armed forces of the United States who is located beyond the borders of the United States on the first day following the close of his income year or on the fifteenth day of the * * * *fourth* month following the close of such year. The return of such person shall be filed 6 months after termination of such person's military service but in no event later than the fifteenth day of the sixth month following the close of such person's * * * 1956 calendar or corresponding fiscal year. No interest or penalties shall be imposed during any extension period provided for in this paragraph.

SECTION 2. 71.10 (12) of the statutes is amended to read:

71.10 (12) When the reduction of income made as the result of the renegotiation or other adjustment of war contracts or subcontracts is subsequently determined to be excessive and such excessive reduction is rebated to the taxpayer by the federal government, the gross amount of the rebate is to be included as taxable income of the year to which the income reduction applies. Such rebate must be reported to the department of taxation by the taxpayer on or before the fifteenth day of the third month *if a corporation, or on or before the fifteenth day of the fourth month if a person other than a corporation*, following the close of the income year in which the rebate was received. An assessment of additional income taxes based upon such rebate may be made by the department of taxation without interest within 2 years from the date on which the rebate was reported by the taxpayer, notwithstanding the limitations of s. 71.11 (21) or other applicable statutes. Any federal income tax or excess profits tax paid upon the income resulting from the rebate shall be allowed as a deduction from income of the year following the year to which the renegotiation or other adjustment is applicable, subject however to the limitations provided by ss. 71.04 (3a) and 71.05 (4a) as to the total amount of federal income tax or excess profits tax deductible, and a refund without interest may be made by reason of such deduction notwithstanding the limitations of s. 71.10 (10) (b) and (d).

SECTION 3. 71.15 (5) of the statutes, as created by chapter 3, (Bill No. 1, A.) laws of 1955, is amended to read:

71.15 (5) The provisions of ss. 71.10 (2), (3) (a), (7), (9) (a), (b) and (c), and 71.11 (3), as amended by ch. 3 (Bill No. 1, A.) laws of 1955, * * * the provisions of s. 71.10 (9) (am) and (bm) as created by said chapter, *and s. 71.10 (12) as amended by ch. 131, laws of 1955 (Bill No. 56, S.)*, apply to income of the calendar year 1954, or corresponding fiscal year, and subsequent years.

Approved May 19, 1955.