

DEPARTMENT OF TAXATION

*R Reg May 1964*  
*app. 1-1-64*  
Tax 2.10 Optional tax table. (see page 9).

Tax 2.11 Tax Table. (Section 71.09 (2b) Wis. Stats. applicable to income years ending on and after August 31, 1959)

If Your Net Taxable Income Is		*Your Gross Normal Tax Is	If Your Net Taxable Income Is		*Your Gross Normal Tax Is	If Your Net Taxable Income Is		*Your Gross Normal Tax Is	If Your Net Taxable Income Is		*Your Gross Normal Tax Is
At Least	But Less Than		At Least	But Less Than		At Least	But Less Than		At Least	But Less Than	
0	50	.20	1,850	1,900	20.90	3,700	3,750	55.60	5,480	5,520	110.00
50	100	.70	1,900	1,950	21.60	3,750	3,800	56.90	5,520	5,560	111.40
100	150	1.20	1,950	2,000	22.20	3,800	3,850	58.10	5,560	5,600	112.80
150	200	1.70	2,000	2,050	22.90	3,850	3,900	59.40	5,600	5,640	114.20
200	250	2.20	2,050	2,100	23.60	3,900	3,950	60.60	5,640	5,680	115.60
250	300	2.70	2,100	2,150	24.40	3,950	4,000	61.90	5,680	5,720	117.00
300	350	3.20	2,150	2,200	25.10	4,000	4,050	63.20	5,720	5,760	118.40
350	400	3.70	2,200	2,250	25.90	4,050	4,100	64.80	5,760	5,800	119.80
400	450	4.20	2,250	2,300	26.60	4,100	4,150	66.30	5,800	5,840	121.20
450	500	4.70	2,300	2,350	27.40	4,150	4,200	67.80	5,840	5,880	122.60
500	550	5.20	2,350	2,400	28.10	4,200	4,250	69.30	5,880	5,920	124.00
550	600	5.70	2,400	2,450	28.90	4,250	4,300	70.80	5,920	5,960	125.40
600	650	6.20	2,450	2,500	29.60	4,300	4,350	72.30	5,960	6,000	126.80
650	700	6.70	2,500	2,550	30.40	4,350	4,400	73.80	6,000	6,040	128.30
700	750	7.20	2,550	2,600	31.10	4,400	4,450	75.30	6,040	6,080	129.90
750	800	7.70	2,600	2,650	31.90	4,450	4,500	76.80	6,080	6,120	131.50
800	850	8.20	2,650	2,700	32.60	4,500	4,550	78.30	6,120	6,160	133.10
850	900	8.70	2,700	2,750	33.40	4,550	4,600	79.80	6,160	6,200	134.70
900	950	9.20	2,750	2,800	34.10	4,600	4,650	81.30	6,200	6,240	136.30
950	1,000	9.70	2,800	2,850	34.90	4,650	4,700	82.80	6,240	6,280	137.90
1,000	1,050	10.30	2,850	2,900	35.60	4,700	4,750	84.30	6,280	6,320	139.50
1,050	1,100	10.90	2,900	2,950	36.40	4,750	4,800	85.80	6,320	6,360	141.10
1,100	1,150	11.60	2,950	3,000	37.10	4,800	4,850	87.30	6,360	6,400	142.70
1,150	1,200	12.20	3,000	3,050	38.10	4,850	4,900	88.80	6,400	6,440	144.30
1,200	1,250	12.80	3,050	3,100	39.40	4,900	4,950	90.30	6,440	6,480	145.90
1,250	1,300	13.40	3,100	3,150	40.60	4,950	5,000	91.80	6,480	6,520	147.50
1,300	1,350	14.10	3,150	3,200	41.90	5,000	5,040	93.20	6,520	6,560	149.10
1,350	1,400	14.70	3,200	3,250	43.10	5,040	5,080	94.60	6,560	6,600	150.70
1,400	1,450	15.30	3,250	3,300	44.40	5,080	5,120	96.00	6,600	6,640	152.30
1,450	1,500	15.90	3,300	3,350	45.60	5,120	5,160	97.40	6,640	6,680	153.90
1,500	1,550	16.60	3,350	3,400	46.90	5,160	5,200	98.80	6,680	6,720	155.50
1,550	1,600	17.20	3,400	3,450	48.10	5,200	5,240	100.20	6,720	6,760	157.10
1,600	1,650	17.80	3,450	3,500	49.40	5,240	5,280	101.60	6,760	6,800	158.70
1,650	1,700	18.40	3,500	3,550	50.60	5,280	5,320	103.00	6,800	6,840	160.30
1,700	1,750	19.10	3,550	3,600	51.90	5,320	5,360	104.40	6,840	6,880	161.90
1,750	1,800	19.70	3,600	3,650	53.10	5,360	5,400	105.80	6,880	6,920	163.50
1,800	1,850	20.30	3,650	3,700	54.40	5,400	5,440	107.20	6,920	6,960	165.10
						5,440	5,480	108.60	6,960	7,000	166.70

TAX ON INCOMES OF OVER \$7,000

YOUR TAXABLE INCOME

If amount on Line 7, Page 1 is  
Over But Not Over

\$ 7,000	—	\$ 8,000	-----
8,000	—	9,000	-----
9,000	—	10,000	-----
10,000	—	11,000	-----
11,000	—	12,000	-----
12,000	—	13,000	-----
13,000	—	14,000	-----
14,000	—		

YOUR GROSS NORMAL TAX

Enter on Line A, Page 1

This Amt. + This % On Excess Over

\$167.50	plus 5 %	— \$ 7,000
217.50	plus 5½%	— 8,000
272.50	plus 6 %	— 9,000
332.50	plus 6½%	— 10,000
397.50	plus 7 %	— 11,000
467.50	plus 7½%	— 12,000
542.50	plus 8 %	— 13,000
622.50	plus 8½%	— 14,000

\*From the gross tax determined by this table the taxpayer should deduct his personal exemptions, if any, to arrive at his normal income tax. To such tax must be added any surtax on the net normal income tax as is provided by law.

History: Cr. Register, January, 1960, No. 49, eff. 2-1-60.

**Tax 2.14 Income tax returns for husband and wife.** If husband and wife each has a gross income of \$600 or more or if each has some net income when their combined net income is \$1,400 or more, each must report his income. (See *Amerpohl vs. Tax Commission*, 225 Wis. 62.) The aggregate personal exemption of \$14 allowable when each files a return may be divided between the two according to their choice.

**History:** 1-2-56; am. Register, February, 1958, No. 26, eff. 3-1-58; am. Register, February, 1960, No. 50, eff. 3-1-60.

**Tax 2.15 Methods of accounting.** (Section 71.11 (8), Wis. Stats.) No uniform method of accounting can be prescribed for all taxpayers, and the law contemplates that each taxpayer may return his income in accordance with the method of accounting regularly employed in keeping his books. If no method of accounting is regularly employed or if the method employed does not clearly reflect the income, the department of taxation may prescribe the method to be used. A method of accounting will not be regarded as clearly reflecting the income unless all items of gross income and all deductions are treated with reasonable consistency.

**Tax 2.16 Changes in method of accounting.** (Section 71.11 (8), Wis. Stats.) No change in the method of accounting used in reporting income may be made without first obtaining the written permission of the tax commissioner or the assessor of incomes, as the case may be. Applications for such change must set forth clearly the nature of the business, the method of accounting used in keeping the books, and the reasons for changing the method of reporting. In changing from a cash basis of accounting to an accrual basis of accounting, income accrued but not yet collected as of the close of the year of change shall be added to income actually received in cash during the year,

(Continued on page 10)

**TAX 2.10 OPTIONAL TAX TABLE (SECTION 71.09 (2M) (d) APPLICABLE TO CALENDAR YEAR 1955, OR  
CORRESPONDING FISCAL YEAR, AND SUBSEQUENT YEARS)**

If Your Adjusted Gross Income is		Your* Gross Tax is	If Your Adjusted Gross Income is		Your Gross Tax is	If Your Adjusted Gross Income is		Your Gross Tax is	If Your Adjusted Gross Income is		Your Gross Tax is
At Least	But Less Than		At Least	But Less Than		At Least	But Less Than		At Least	But Less Than	
0	50.	.20	1,250.	1,300.	12.00	2,500.	2,550.	27.00	3,750.	3,800.	48.40
50.	100.	.70	1,300.	1,350.	12.60	2,550.	2,600.	27.60	3,800.	3,850.	49.50
100.	150.	1.10	1,350.	1,400.	13.10	2,600.	2,650.	28.30	3,850.	3,900.	50.70
150.	200.	1.60	1,400.	1,450.	13.70	2,650.	2,700.	29.00	3,900.	3,950.	51.80
200.	250.	2.00	1,450.	1,500.	14.30	2,700.	2,750.	29.70	3,950.	4,000.	52.90
250.	300.	2.50	1,500.	1,550.	14.80	2,750.	2,800.	30.40	4,000.	4,050.	54.10
300.	350.	3.00	1,550.	1,600.	15.40	2,800.	2,850.	31.10	4,050.	4,100.	55.20
350.	400.	3.40	1,600.	1,650.	16.00	2,850.	2,900.	31.70	4,100.	4,150.	56.30
400.	450.	3.90	1,650.	1,700.	16.60	2,900.	2,950.	32.40	4,150.	4,200.	57.50
450.	500.	4.30	1,700.	1,750.	17.10	2,950.	3,000.	33.10	4,200.	4,250.	58.60
500.	550.	4.80	1,750.	1,800.	17.70	3,000.	3,050.	33.80	4,250.	4,300.	59.80
550.	600.	5.20	1,800.	1,850.	18.30	3,050.	3,100.	34.50	4,300.	4,350.	60.90
600.	650.	5.70	1,850.	1,900.	18.80	3,100.	3,150.	35.20	4,350.	4,400.	62.00
650.	700.	6.10	1,900.	1,950.	19.40	3,150.	3,200.	35.80	4,400.	4,450.	63.30
700.	750.	6.60	1,950.	2,000.	20.00	3,200.	3,250.	36.50	4,450.	4,500.	64.70
750.	800.	7.10	2,000.	2,050.	20.50	3,250.	3,300.	37.20	4,500.	4,550.	66.00
800.	850.	7.50	2,050.	2,100.	21.10	3,300.	3,350.	38.10	4,550.	4,600.	67.40
850.	900.	8.00	2,100.	2,150.	21.70	3,350.	3,400.	39.30	4,600.	4,650.	68.80
900.	950.	8.40	2,150.	2,200.	22.20	3,400.	3,450.	40.40	4,650.	4,700.	70.10
950.	1,000.	8.90	2,200.	2,250.	22.90	3,450.	3,500.	41.60	4,700.	4,750.	71.50
1,000.	1,050.	9.30	2,250.	2,300.	23.60	3,500.	3,550.	42.70	4,750.	4,800.	72.90
1,050.	1,100.	9.80	2,300.	2,350.	24.20	3,550.	3,600.	43.80	4,800.	4,850.	74.20
1,100.	1,150.	10.30	2,350.	2,400.	24.90	3,600.	3,650.	45.00	4,850.	4,900.	75.60
1,150.	1,200.	10.90	2,400.	2,450.	25.60	3,650.	3,700.	46.10	4,900.	4,950.	77.00
1,200.	1,250.	11.40	2,450.	2,500.	26.30	3,700.	3,750.	47.20	4,950.	5,000.	78.30

\*From the gross tax determined by this table the taxpayer should deduct his personal exemptions, if any, to arrive at his net normal income tax. To such tax must be added any surtax on the net normal income tax as is provided by law.

DEPARTMENT OF TAXATION

*Handwritten notes:*  
 If Register, June 1953, p. 30  
 6-1-54

and expenses accrued but not yet paid as of the close of the year shall be added to expenses actually paid during the year.

**Tax 2.17 Cash method of accounting.** (Section 71.11 (8), Wis. Stats.) The use of the cash method of accounting and reporting does not properly reflect taxable income in cases where, at the end of the taxable year, the records reflect accounts receivable, accounts payable, or inventories.

**Tax 2.18 Accrual method of accounting.** (Section 71.11 (8), Wis. Stats.) In all cases in which the production, purchase or sale of merchandise of any kind is an income producing factor, inventories are necessary, and no accounting method in regard to purchases and sales will correctly reflect the income except the accrual method. Approved standard methods of accounting will ordinarily clearly reflect the income. Special methods of accounting employed in special trades or businesses may, with the written approval of the tax commissioner or assessor of incomes, be used in reporting income.

**Tax 2.19 Instalment method of accounting.** (Section 71.11 (8), Wis. Stats.) (1) The instalment method of reporting income may be used only in the case of sales of real estate and infrequent, isolated sales of personal property, and then only subject to the provisions of section 71.03 (1) (g), Wis. Stats. (See also Tax 2.71).

(2) Persons regularly engaged in the business of selling personal property and keeping records on the instalment basis will be required to report for income tax purposes on the accrual basis.

**Tax 2.20 Accounting for acceptance corporations, dealers in commercial paper, mortgage discount companies and small loan companies.** (Section 71.11 (8), Wis. Stats.) (1) Except as otherwise provided in subsection (3) hereof, acceptance corporations and dealers in commercial paper must report the discount on the purchase of paper as income in the year of such purchase.

(2) Where the records of such acceptance corporations and dealers in commercial paper are kept upon the deferred profit basis, schedules should be attached to the tax returns clearly setting forth the unrealized profit accounts and reconciling the income and surplus per books with the taxable net income.

(3) Acceptance corporations and dealers in commercial paper may elect to report their taxable income on the deferred profit basis, provided that their books and records are kept on that basis and provided further that both the deferment of income and the expenses incurred in producing said income is made in accordance with accepted accounting principles and practice. The election to so report must be made before the close of the year for which the return is made, and after having made such election the deferred profit basis of reporting must be adhered to in all subsequent periods.

**Tax 2.21 Accounting for contractors.** (Section 71.11 (8), Wis. Stats.) (1) The general rules for reporting income on the accrual basis apply to contractors except that, in the case of contracts upon which work is performed in 2 or more consecutive income years, the percentage of completion basis may be used provided such basis clearly reflects the income taxable under chapter 71, Wis. Stats.

(a) Under this method of accounting at the close of the taxable year, a portion of the total contract price is treated as sales for the