

**CHAPTER 467**

AN ACT to amend 71.04 (12) (a) and (c) ; and to create 71.04 (12) (d) and (e) of the statutes, relating to change in accrued deduction items for income tax purposes.

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

SECTION 1. 71.04 (12) (a) and (c) of the statutes are amended to read:

71.04 (12) (a) If such items of deduction are not paid within the taxable year or *by the fifteenth day of the third month \* \* \** after the close thereof; and

(c) If, at the close of the taxable year of the taxpayer or at any time within \* \* \* *2-1/2 months* thereafter, the person to whom the payment is to be made was an officer of such taxpayer corporation or was the owner, directly or indirectly, of more than 20 per cent of its outstanding voting stock.

SECTION 2. 71.04 (12) (d) and (e) of the statutes are created to read:

71.04 (12) (d) No deduction shall be disallowed under this subsection if the item would not be includable in the Wisconsin taxable income of the creditor even if received in the taxable year or within 2-1/2 months after the close thereof.

(e) If a deduction, which is otherwise properly accruable, is disallowed pursuant to the application of pars. (a), (b) and (c), such deduction shall be allowed for the same item in any subsequent year when actually paid.

Approved September 15, 1961.

---