

expiration of a period of four months prior to the holding of such special election.

SECTION 2. This act shall take effect upon passage and publication.

Approved June 30, 1931.

No. 612, A.]

[Published July 7, 1931.

CHAPTER 447.

AN ACT to appropriate a sum of money to Wood county, Wisconsin, to reimburse it for money paid over to the state by mistake.

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

SECTION 1. There is appropriated from the general fund to Wood county, Wisconsin, eight hundred and sixty-two dollars collected by the clerk of the county court for Wood county as suit tax on civil actions in the county court and paid over by such clerk to the state by mistake instead of to the county treasurer of Wood county to whom it was properly payable. Acceptance of this appropriation shall operate as a full and complete release to the state of any claim on the part of Wood county on account of such payment.

SECTION 2. This act shall take effect upon passage and publication.

Approved June 30, 1931.

No. 37, A.]

[Published July 8, 1931.

CHAPTER 448.

AN ACT to repeal paragraph (f) of subsection (1) of section 71.095 and paragraphs (a) and (c) of subsection (1) of section 71.10; to create section 71.045 and subsection (1m) of section 71.10 and to amend paragraphs (c) and (d) of subsection (2) of section 71.05, subsection (1) of section 71.06, subsection (1) of section 71.19, section 71.01, subsection (1) of section 71.02, paragraph (e) of subsection (2) of section 71.05, the introductory paragraph and paragraphs (a) and (h) of subsection (2) of section 71.06, subsection (2) and paragraph (c) of subsec-

tion (4) of section 71.09, subsection (2) of section 71.095, subsection (2) of section 71.10, and subsection (2) of section 71.18 of the statutes, relating to the income tax.

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

SECTION 1. Paragraph (f) of subsection (1) of section 71.095 and paragraphs (a) and (c) of subsection (1) of section 71.10 of the statutes are repealed.

SECTION 2. A new section is added to the statutes and a new subsection is added to section 71.10 of the statutes to read: 71.045 DEDUCTION OF LOSSES. If a taxpayer in any year subsequent to the year, 1932, sustains a net business loss, such loss may be offset against the net business income of the subsequent year and, if not completely offset by the net business income of such year, the remainder of such net business loss may be offset against the net business income of the following year. For the purposes of this section, net business income shall consist of all the income attributable to the operation of a trade or business regularly carried on by the taxpayer, less the deduction of business expenses allowed in sections 71.03 and 71.04.

(71.10) (1m) (a) The assessment of taxable incomes in the years 1931 and 1932 shall be based upon the average of the net incomes or losses of the calendar or fiscal years 1928, 1929, and 1930 and the calendar or fiscal years 1929, 1930 and 1931, respectively. Thereafter each annual assessment shall be based upon the net incomes of the preceding calendar year or corresponding fiscal year, with the exception stated in paragraph (b) of this subsection.

(b) If the net income of any taxpayer in the calendar or fiscal year 1932 shall be less than his untaxed income in the years 1930 and 1931, (to be arrived at by giving the net income or loss of 1930 one-third weight and the net income or loss of 1931 two-thirds weight), such taxpayer shall in the year 1933 be assessed upon his untaxed income in the years 1930 and 1931, but shall not be taxed on his net income in the year 1932.

(c) All back assessments, additional assessments and corrections of assessments of incomes which were or should have been assessed in the years 1928 to 1932 shall be determined by the methods of averaging the net income or loss in force during these years.

SECTION 3. Paragraphs (c) and (d) of subsection (2) of section 71.05, subsection (1) of section 71.06, and subsection (1) of section 71.19 of the statutes are amended to read:

(71.05) (2) (c) For each child under the age of eighteen years who is actually supported by and dependent upon the taxpayer for his support, an additional * * * *four* dollars.

(d) For each additional person who is actually supported by and entirely dependent upon the taxpayer for his support an additional * * * *four* dollars, except in case of head of a family. In computing taxes and the amount of taxes payable by persons residing together as members of a family, the income of the wife and the income of each child under eighteen years of age shall be added to that of the husband or father, or if he be not living, to that of the head of the family and assessed to him except as hereinafter provided. The taxes levied shall be payable by such husband or head of the family, but if not paid by him may be enforced against any person whose income is included within the tax computation.

(71.06) (1) The tax to be assessed, levied and collected upon the * * * taxable incomes of all persons, other than corporations, shall be computed at the following rates, to wit:

(a) On the first one thousand dollars of * * * taxable income or any part thereof, at the rate of one per cent.

(b) On the second one thousand dollars or any part thereof, one and one-fourth per cent.

(c) On the third one thousand dollars or any part thereof, one and one-half per cent.

(d) On the fourth one thousand dollars or any part thereof, * * * *two* per cent.

(e) On the fifth one thousand dollars or any part thereof, two and one-half per cent.

(f) On the sixth one thousand dollars or any part thereof, * * * *three* * * * per cent.

(g) On the seventh one thousand dollars or any part thereof, three and one-half per cent.

(h) On the eighth one thousand dollars or any part thereof, * * * *four* per cent.

(i) On the ninth one thousand dollars or any part thereof, four and one-half per cent.

(j) On the tenth one thousand dollars or any part thereof,
* * * *five* per cent.

(k) On the eleventh one thousand dollars or any part thereof,
five *and one-half* per cent.

(l) On the twelfth one thousand dollars or any part thereof,
* * * *six* per cent.

(m) On any sum of * * * taxable income in excess of
twelve thousand dollars, * * * *seven* per cent.

(71.19) (1) All income taxes collected in cash shall be divided as follows, to wit: Forty per cent to the state, ten per cent to the county, and the balance to the town, city or village from which the income was derived as provided in section 71.18, except that when such balance exceeds * * * *seven-tenths of one* per cent of the equalized value of *all taxable property* in such town, city or village under section 70.61, such excess shall be * * * *retained by* the county to be distributed and paid to all of the several towns, cities and villages of the county, according to the school population therein. *If, subsequent to July, 1931, there shall be paid over to any town, city or village any amount in excess of seven-tenths of one per cent of the equalized value of all taxable property therein, such excess payment shall be recoverable by the county.*

SECTION 4. Section 71.01, subsection (1) of section 71.02, paragraph (e) of subsection (2) of section 71.05, the introductory paragraph and paragraphs (a) and (h) of subsection (2) of section 71.06, subsection (2) and paragraph (c) of subsection (4) of section 71.09, subsection (2) of section 71.095, subsection (2) of section 71.10 and subsection (2) of section 71.18 of the statutes are amended to read: 71.01 There shall be assessed, levied, collected and paid a tax on all * * * net incomes as hereinafter provided, by every person residing within the state or by his personal representative in case of death; and by every non-resident of the state, upon such income as is derived from property located or business transacted within the state, except as hereinafter exempted. Every natural person domiciled in the state of Wisconsin, and every other natural person who maintains a permanent place of abode within the state or spends in the aggregate more than seven months of the income year within the state, shall be presumed to be residing within the state for the purposes of determining liability for income taxes and surtaxes. This section

shall not be construed to prevent or affect the correction of errors or omissions in the assessment of income of former years in the manner provided in sections 71.10 and 71.11.

(71.02) (1) The term "person," as used in this act, shall mean and include natural persons, fiduciaries and corporations, and the word "corporation" shall mean and include corporations, joint stock companies, associations or common law trusts organized or conducted for profit, unless otherwise expressly stated. The term "net income" as used in this chapter shall mean "gross income" less allowable deductions. * * *

(71.05) (2) (e) The personal exemptions provided by this section shall be determined by the personal status of a taxpayer on the last day of the last year included in the computation of * * * income except as otherwise provided in this chapter.

(71.06) (2) (Introductory paragraph) The taxes to be assessed, levied and collected upon the * * * taxable incomes of corporations shall be computed at the following rates, to wit:

(a) On the first one thousand dollars of * * * taxable income or any part thereof, two per cent.

(h) On all * * * taxable income in excess of seven thousand dollars, six per cent.

(71.09) (2) Liability to taxation for income which follows the residence of the recipient in the case of persons, other than corporations, who move into or out of the state within the year shall be determined for such year by the ratio of time which the residence of such taxpayer in the state bears to the entire calendar or fiscal year. The deductions for personal exemptions provided for in section 71.05 shall be prorated on the basis of the time of residence within and without the state. The net income of such person assignable to the state for such year shall be used in * * * *determining* the income subject to assessment under this chapter. The assessment of corporations shall be made by the tax commission, and the assessment of persons other than corporations shall be made by the county assessors of income.

(4) (c) Married persons living together as husband and wife may make separate returns or join in a single joint return. In either case the tax shall be computed on the combined * * * taxable income. The exemptions provided for in subsection (2) of section 71.05 shall be allowed but once and divided equally and the amount of tax due shall be paid by each in the proportion

that the * * * income of each bears to the combined * * * income.

(71.095) (2) Guardians shall make returns of income to the assessor of incomes of the county in which their wards reside, which returns shall be made at the same time as returns of persons other than corporations are made, and shall show all the income from all sources received by or for the respective wards whom they represent. The net income of a guardian shall be ascertained in the same manner as the income of other persons is ascertained and shall be subject to the same deductions for personal exemptions which the ward would have been entitled to had he made the return, provided that if any of such wards are under eighteen years of age and are the children of a person required by this chapter to file an income tax return, the personal exemption under section 71.05 (2) (c) shall be allowed to the guardian. The * * * taxable income of such wards under eighteen years of age so ascertained and assessed to the guardian shall be added to the * * * taxable income of the parent or head of a family as provided in section 71.05 (2) (d), and the taxes shall be computed on the combined * * * taxable income of such wards under eighteen years of age and parent or head of a family. The tax on the combined * * * taxable income of parent and wards shall be credited with any taxes the guardian may have paid or is liable for on the income of any such wards so included in the combined * * * taxable income, and the balance of the tax on such combined * * * taxable income shall be paid as provided in section 71.05 (2) (d), and if any tax so credited shall not be paid by the guardian when due the parent or head of a family shall pay such tax and such parent shall have the right of reimbursement of such taxes paid as provided in section 71.095 (5). The * * * taxable income of any ward shall be assessed to the guardian making the report and such guardian shall pay the taxes assessed when due.

(71.10) (2) The tax commission or the assessor of incomes shall presume the incomes reported on the current return to be correct for the purpose of preparing initial assessment rolls, and shall enter on initial assessment rolls by taxation districts the * * * taxable income computed according to the preceding subsection. Such assessment rolls and all subsequent assessment rolls shall remain on file in the office of the tax commission or

the assessor of incomes as the case may be. The tax commission and the assessor of incomes shall make duplicate copies of such assessment rolls and all subsequent assessment rolls provided by this section, and such duplicate rolls shall be known as tax rolls. The tax commission and the assessors of incomes shall certify such tax rolls for collection of the tax to the county treasurers of the several counties within five months after the close of the fiscal or calendar year of any taxpayer. Additional assessment rolls and corresponding duplicate tax rolls shall be prepared from time to time, which shall include corrections made by office audits of current returns, initial assessments on any return omitted from the first initial roll, initial assessments of fiscal year returns, and corrections made after field audit pursuant to sections 71.10 and 71.11.

(71.18) (2) The entire * * * taxable income of every person deriving income from within and without the state or from within different political subdivisions of the state, when such person resides within the state, shall be combined and aggregated for the purpose of determining the proper rate of taxation. The tax commission or the assessor of incomes, as the case may be, shall compute the tax on the combined * * * taxable income of such person. The income so computed * * * , in the manner provided in section 71.10, shall be apportioned, in the manner provided in paragraph (c) of subsection (3) of section 71.02, to the several towns, cities and villages in proportion to the respective amounts of income derived from each, counting that part of the income derived from without the state when taxable as having been derived from the town, city or village in which said person resides. The tax on the combined * * * taxable income shall be apportioned on the tax roll to the various towns, cities and villages in proportion to the respective amounts of * * * taxable income so attributed to each. The portion of such taxes attributable to all of the taxing districts located in any county shall be certified for collection to the county treasurer of such county.

SECTION 5. Prior to July 1, 1931, the tax commission shall advise all county treasurers of the provision in subsection (1) of section 71.19 of the statutes as amended in section 3 of this act, for retention by the county of any amount by which fifty per cent of the income tax collected from any town, city, or village exceeds

seven-tenths of one per cent of the equalized value of all taxable property therein.

SECTION 6. The increase in deductions for children under eighteen and for other dependents, and the changes in the rates of the income tax on persons other than corporations which are made in section 3 of this act shall apply to the income taxes payable in the year, 1932, and to the income taxes of all subsequent years.

SECTION 7. Sections 1 and 4 of this act shall take effect January 1, 1933, and all other provisions of this act upon passage and publication.

Approved July 3, 1931.

No. 376, A.]

[Published July 8, 1931.

CHAPTER 449.

AN ACT to amend subsection (1) of section 75.12 of the statutes, relating to tax deeds.

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

SECTION 1. Subsection (1) of section 75.12 of the statutes is amended to read: (75.12) (1) Whenever any lot or tract of land which has been or shall hereafter be sold for taxes shall have been in actual occupancy or possession of any person, other than the owner and holder of the certificate of such tax sale or some person holding under him, for the period of thirty days or more, at any time within the six months immediately preceding the time when the tax deed upon such sale shall be applied for, or whenever the records in the office of the register of deeds show that any lot or tract of land is encumbered by an unsatisfied mortgage and show the post-office address of the mortgagee or if the same has been assigned, the post-office address of the assignee, such deed shall not be issued unless a written notice shall have been served upon the owner or upon such occupant and upon such mortgagee or if said mortgage has been assigned then upon such assignee by the holder of such certificate at least three months prior thereto, stating that he is the owner of such certificate and setting forth the date thereof, and giving notice that after the expiration of three months from the service thereof such deed will be applied for. Notice to any mortgagee or assignee shall be given by reg-