

Section  
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1 **\*b0676/1.1\* SECTION 1708g.** 71.07 (2dx) (b) (intro.) of the statutes is amended  
2 to read:

3 71.07 (2dx) (b) *Credit.* (intro.) Except as provided in s. 73.03 (35) and subject  
4 to s. 560.785, for any taxable year for which the person is certified under s. 560.765  
5 (3), any person may claim as a credit against taxes imposed on the person's income  
6 from the person's business activities in a development zone the following amounts:

7 **\*-0550/1.1\* SECTION 1709.** 71.07 (2dx) (b) 4. of the statutes is amended to read:

8 71.07 (2dx) (b) 4. The amount determined by multiplying the amount  
9 determined under s. 560.785 (1) ~~(b)~~ (bm) by the number of full-time jobs retained,  
10 as provided in the rules under s. 560.785, excluding jobs for which a credit has been  
11 claimed under sub. (2dj), in a an enterprise development zone under s. 560.797 and  
12 filled by a member of a targeted group for which significant capital investment was  
13 made and by then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

14 **\*b0438/2.3\* SECTION 1709c.** 71.07 (2dy) of the statutes is created to read:

15 71.07 (2dy) SUSTAINABLE URBAN DEVELOPMENT ZONE CREDIT. (a) *Definitions.* In  
16 this subsection:

- 17 1. "Brownfield" has the meaning given in sub. (2dx) (a) 1.
- 18 2. "Environmental remediation" means removal or containment of  
19 environmental pollution, as defined in s. 299.01 (4), and restoration of soil or  
20 groundwater that is affected by environmental pollution, as defined in s. 299.01 (4),  
21 in a brownfield and investigation unless the investigation determines that  
22 remediation is required but remediation is not undertaken.

23 (b) *Credit.* For any taxable year for which the person is certified under s. 292.77  
24 (5), a person may claim as a credit against taxes imposed under this subchapter 50%

1 of the amount expended for environmental remediation under the program under s.  
2 292.77.

3 (c) *Administration*. Subsection (2dx) (c), (d) and (e), as it applies to the credit  
4 under sub. (2dx), applies to the credit under this subsection. *O e*

5 **\*b0678/5.10\* SECTION 1710d.** 71.07 (3m) (a) 1. b. of the statutes is amended  
6 to read:

7 71.07 (3m) (a) 1. b. For partnerships except publicly traded partnerships  
8 treated as corporations under s. 71.22 (1) (1g), or limited liability companies, except  
9 limited liability companies treated as corporations under s. 71.22 (1) (1g), “claimant”  
10 means each individual partner or member. *O e*

11 **\*-1917/1.22\* SECTION 1711.** 71.07 (5) (a) 7. of the statutes is created to read:

12 71.07 (5) (a) 7. Miscellaneous itemized deductions under the Internal Revenue  
13 Code, without regard to whether such deductions are subject to the 2% floor as  
14 described in section 67 of the Internal Revenue Code, except that the general  
15 prohibition in this subdivision does not apply to dues paid to a professional society  
16 or a labor union.

17 **\*-0574/1.1\* SECTION 1712.** 71.07 (5) (a) 8. of the statutes is created to read:

18 71.07 (5) (a) 8. Any employment-related educational expense that is claimed  
19 as an itemized deduction under the Internal Revenue Code to the extent that such  
20 an amount is also claimed as a subtract modification under s. 71.05 (6) (b) 28.

21 **\*-1917/1.23\* SECTION 1713.** 71.07 (5m) (e) of the statutes is created to read:

22 71.07 (5m) (e) *Sunset*. No new claim may be filed under this subsection for a  
23 taxable year that begins after December 31, 1999.

24 **\*-1917/1.24\* SECTION 1714.** 71.07 (6) (am) 2. c. of the statutes is amended to  
25 read:

1           71.07 (6) (am) 2. c. For taxable years beginning after December 31, 1999, and  
2 before January 1, 2001, 2.75% of the earned income of the spouse with the lower  
3 earned income, but not more than ~~\$385~~ \$440.

4           \*~~1917/1.25~~\* SECTION 1715. 71.07 (6) (am) 2. d. of the statutes is amended to  
5 read:

6           71.07 (6) (am) 2. d. For taxable years beginning after December 31, 2000, 3%  
7 of the earned income of the spouse with the lower earned income, but not more than  
8 ~~\$420~~ \$480.

9           \*~~1917/1.26~~\* SECTION 1716. 71.07 (8) (d) of the statutes is created to read:

10           71.07 (8) (d) No new claim may be filed under this subsection for a taxable year  
11 that begins after December 31, 1999.

12           \*~~1917/1.27~~\* SECTION 1717. 71.07 (9) (g) of the statutes is created to read:

13           71.07 (9) (g) No new claim may be filed under this subsection for a taxable year  
14 that begins after December 31, 1999.

15           \*~~b0438/2.4~~\* SECTION 1719g. 71.08 (1) (intro.) of the statutes is amended to  
16 read:

17           71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married  
18 couple filing jointly, trust or estate under s. 71.02, not considering the credits under  
19 ss. 71.07 (1), (2dd), (2de), (2di), (2dj), (2dL), (2dr), (2ds), (2dx), (2dy), (2fd), (3m), (3s),  
20 (6) and (9e), 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1dy), (1fd), (2m) and  
21 (3) and 71.47 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1dy), (1fd), (2m) and (3) and  
22 subchs. VIII and IX and payments to other states under s. 71.07 (7), is less than the  
23 tax under this section, there is imposed on that natural person, married couple filing  
24 jointly, trust or estate, instead of the tax under s. 71.02, an alternative minimum tax  
25 computed as follows:

1           **\*b0438/2.4\* SECTION 1719m.** 71.10 (4) (gv) of the statutes is created to read:

2           71.10 (4) (gv) Sustainable urban development zone credit under s. 71.07 (2dy). *oe*

3           **\*b0535/P1.5\* SECTION 5719m.** 71.07 (9e) (f) of the statutes is amended to read:

4           71.07 (9e) (f) Except as provided in s. 71.80 (3) and (3m), if the allowable

5 amount of the claim under this subsection exceeds the taxes otherwise due under this

6 chapter or no taxes are due under this chapter, the amount of the claim not used to

7 offset taxes due shall be certified by the department of revenue to the department

8 of administration for payment by check, share draft or other draft drawn from the

9 appropriation under s. 20.835 (2) (f) or (kf). *oe*

10           **\*b0678/5.11\* SECTION 1719d.** 71.07 (10) of the statutes is amended to read:

11           71.07 (10) CREDITS NOT ALLOWED. The credits under s. 71.28 (4) and (5) may not

12 be claimed by partners, including partners of a publicly traded partnership treated

13 as a corporation under s. 71.22 (1) (1g), members of a limited liability company,

14 including members of a limited liability company treated as a corporation under s.

15 77.22 (1) (1g), or shareholders of a tax-option corporation.

16           **\*b0383/2.1\* SECTION 1720m.** 71.10 (5) (am) of the statutes is created to read:

17           71.10 (5) (am) *Gray wolf as endangered or threatened species.* For purposes of

18 the part of the endangered resources program that provides for wildlife damage

19 control and the payments of claims for damage associated with endangered or

20 threatened species, the gray wolf shall be considered an endangered or threatened

21 species regardless of whether it is listed as endangered or threatened under s. 29.604

22 (3).

23           **\*-1917/1.28\* SECTION 1721.** 71.125 of the statutes is amended to read:

24           **71.125 Imposition of tax.** (1) Except as provided in sub. (2), the tax imposed

25 by this chapter on individuals and the rates under s. 71.06 (1), (1m), (1n), (1p) and

1 (2) shall apply to the Wisconsin taxable income of estates or trusts, except nuclear  
2 decommissioning trust or reserve funds, and that tax shall be paid by the fiduciary.

3 (2) Each electing small business trust, as defined in section 1361 (e) (1) of the  
4 Internal Revenue Code, is subject to tax at the highest rate under s. 71.06 (1) ~~or under~~  
5 ~~s. 71.06, (1m), (1n) or (1p)~~, whichever taxable year is applicable, on its income as  
6 computed under section 641 of the Internal Revenue Code, as modified by s. 71.05  
7 (6) to (12), (19) and (20).

8 **\*b0669/1.2\* SECTION 1721et.** 71.14 (3) (intro.) of the statutes is amended to  
9 read:

10 71.14 (3) (intro.) Except as provided in sub. (2) and s. 71.04 (1) (b) 2., ~~trusts~~  
11 ~~created by contract, declaration of trust or implication of law shall be considered~~  
12 ~~resident at the place where the trust is being administered. The following trusts~~  
13 ~~shall be considered to be administered in the state of domicile of the corporate trustee~~  
14 ~~of the trust at any time that the grantor of the trust is not a resident of this state and~~  
15 subject to sub. (3m), only the following trusts, or portions of trusts, shall be  
16 considered resident of this state:

17 **\*b0669/1.2\* SECTION 1721ft.** 71.14 (3) (a) of the statutes is amended to read:

18 71.14 (3) (a) ~~Trusts that have any assets invested in a common trust fund, as~~  
19 ~~defined in section 584 of the internal revenue code, maintained by a bank or trust~~  
20 ~~company domiciled in this state that is a member of the same affiliated group, as~~  
21 ~~defined in section 1504 of the internal revenue code, as the corporate trustee the~~  
22 assets of which consist of property placed in the trust by a person who is a resident  
23 of this state at the time the property was placed in the trust if, at the time the assets  
24 were placed in the trust, the trust was irrevocable.

25 **\*b0669/1.2\* SECTION 1721gt.** 71.14 (3) (b) of the statutes is amended to read:

1           71.14 (3) (b) ~~Trusts Irrevocable trusts, the assets of which in whole or in part~~  
2           ~~are managed, or about which investment decisions are made, by a corporation~~  
3           ~~domiciled in this state if that corporation and the corporate trustee are members of~~  
4           ~~the same affiliated group, as defined in section 1504 of the internal revenue code~~  
5           ~~consist of property placed in the trust by a person who is a resident of this state at~~  
6           ~~the time that the trust became irrevocable if, at the time the property was placed in~~  
7           ~~the trust, the trust was revocable.~~

8           **\*b0669/1.2\* SECTION 1721ht.** 71.14 (3m) of the statutes is created to read:

9           71.14 (3m) A trust described under sub. (3):

10           (a) Is revocable if the person whose property constitutes the trust may revest  
11           title to the property in that person.

12           (b) Is irrevocable if the power to revest title, as described in par. (a), does not  
13           exist.

14           **\*-1917/1.29\* SECTION 1722.** 71.17 (6) of the statutes is amended to read:

15           71.17 (6) FUNERAL TRUSTS. If a qualified funeral trust makes the election under  
16           section 685 of the Internal Revenue Code for federal income tax purposes, that  
17           election applies for purposes of this chapter and each trust shall compute its own tax  
18           and shall apply the rates under s. 71.06 (1) ~~and, (1m), (1n) or (1p).~~

19           **\*b0438/2.5\* SECTION 1722m.** 71.21 (4) of the statutes is amended to read:

20           71.21 (4) Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),  
21           (2dj), (2dL), (2ds), (2dx), (2dy) and (3s) and passed through to partners shall be added  
22           to the partnership's income.

23           **\*b0649/1.2\* SECTION 1722d.** 71.22 (4) (e) of the statutes is repealed.

24           **\*b0649/1.2\* SECTION 1722e.** 71.22 (4) (f) of the statutes is amended to read:

1           71.22 (4) (f) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34  
2 (1g) and 71.42 (2), "~~internal revenue code~~ Internal Revenue Code", for taxable years  
3 that begin after December 31, 1990, and before January 1, 1992, means the federal  
4 ~~internal revenue code~~ Internal Revenue Code as amended to December 31, 1990,  
5 and as amended by P.L. 102-227, P.L. 102-486, P.L. 103-66, P.L. 104-188, excluding  
6 section 1311 of P.L. 104-188, ~~and P.L. 105-34, P.L. 105-206 and P.L. 105-277~~, and  
7 as indirectly affected in the provisions applicable to this subchapter by P.L. 99-514,  
8 P.L. 100-203, P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2),  
9 821 (b) (2) and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L.  
10 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, P.L.  
11 102-486, P.L. 103-66, P.L. 104-188, excluding section 1311 of P.L. 104-188, ~~and P.L.~~  
12 ~~105-34, P.L. 105-206 and P.L. 105-277~~. The ~~internal revenue code~~ Internal Revenue  
13 Code applies for Wisconsin purposes at the same time as for federal purposes.  
14 Amendments to the federal ~~internal revenue code~~ Internal Revenue Code enacted  
15 after December 31, 1990, do not apply to this paragraph with respect to taxable years  
16 beginning after December 31, 1990, and before January 1, 1992, except that  
17 changes to the ~~internal revenue code~~ Internal Revenue Code made by P.L. 102-227,  
18 P.L. 102-486, P.L. 103-66, P.L. 104-188, excluding section 1311 of P.L. 104-188, ~~and~~  
19 P.L. 105-34, ~~P.L. 105-206 and P.L. 105-277~~ and changes that indirectly affect the  
20 provisions applicable to this subchapter made by P.L. 102-227, P.L. 102-486, P.L.  
21 103-66, P.L. 104-188, excluding section 1311 of P.L. 104-188, ~~and P.L. 105-34, P.L.~~  
22 ~~105-206 and P.L. 105-277~~, apply for Wisconsin purposes at the same time as for  
23 federal purposes.

24           **\*b0649/1.2\* SECTION 1722f.** 71.22 (4) (g) of the statutes is amended to read:

1           71.22 (4) (g) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34  
2           (1g) and 71.42 (2), “internal revenue code Internal Revenue Code”, for taxable years  
3           that begin after December 31, 1991, and before January 1, 1993, means the federal  
4           ~~internal revenue code~~ Internal Revenue Code as amended to December 31, 1991,  
5           excluding sections 103, 104 and 110 of P.L. 102-227, and as amended by P.L.  
6           102-318, P.L. 102-486, P.L. 103-66, excluding sections 13101 (a) and (c) 1, 13171 and  
7           13174 of P.L. 103-66, P.L. 104-188, excluding section 1311 of P.L. 104-188, and P.L.  
8           105-34, P.L. 105-206 and P.L. 105-277, and as indirectly affected in the provisions  
9           applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding  
10          sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2) and 823 (c) (2) of P.L. 99-514  
11          and section 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L.  
12          101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and 110 of P.L.  
13          102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13101 (a) and  
14          (c) 1, 13171 and 13174 of P.L. 103-66, P.L. 104-188, excluding section 1311 of P.L.  
15          104-188, and P.L. 105-34, P.L. 105-206 and P.L. 105-277. The ~~internal revenue code~~  
16          Internal Revenue Code <sup>Applies</sup> applies for Wisconsin purposes at the same time as for federal  
17          purposes. Amendments to the federal ~~internal revenue code~~ Internal Revenue Code  
18          enacted after December 31, 1991, do not apply to this paragraph with respect to  
19          taxable years beginning after December 31, 1991, and before January 1, 1993,  
20          except that changes to the ~~internal revenue code~~ Internal Revenue Code made by P.L.  
21          102-318, P.L. 102-486, P.L. 103-66, P.L. 104-188, excluding section 1311 of P.L.  
22          104-188, and P.L. 105-34, P.L. 105-206 and P.L. 105-277 and changes that  
23          indirectly affect the provisions applicable to this subchapter made by P.L. 102-318,  
24          P.L. 102-486, P.L. 103-66, P.L. 104-188, excluding section 1311 of P.L. 104-188, and

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1 P.L. 105-34, P.L. 105-206 and P.L. 105-277, apply for Wisconsin purposes at the  
2 same time as for federal purposes.

3 \*b0649/1.2\* SECTION 1722g. 71.22 (4) (h) of the statutes is amended to read:

4 71.22 (4) (h) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34  
5 (1g) and 71.42 (2), "~~internal revenue code~~ Internal Revenue Code", for taxable years  
6 that begin after December 31, 1992, and before January 1, 1994, means the federal  
7 ~~internal revenue code~~ Internal Revenue Code as amended to December 31, 1992,  
8 excluding sections 103, 104 and 110 of P.L. 102-227, and as amended by P.L. 103-66,  
9 excluding sections 13101 (a) and (c) 1, 13113, 13150, 13171, 13174 and 13203 of P.L.  
10 103-66, P.L. 103-465, P.L. 104-188, excluding section 1311 of P.L. 104-188, and P.L.  
11 105-34, P.L. 105-206 and P.L. 105-277, and as indirectly affected in the provisions  
12 applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding  
13 sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2) and 823 (c) (2) of P.L. 99-514  
14 and section 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L.  
15 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and 110 of P.L.  
16 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13101 (a) and  
17 (c) 1, 13113, 13150, 13171, 13174 and 13203 of P.L. 103-66, P.L. 103-465, P.L.  
18 104-188, excluding section 1311 of P.L. 104-188, and P.L. 105-34, P.L. 105-206 and  
19 P.L. 105-277. The ~~internal revenue code~~ Internal Revenue Code applies for  
20 Wisconsin purposes at the same time as for federal purposes. Amendments to the  
21 federal ~~internal revenue code~~ Internal Revenue Code enacted after  
22 December 31, 1992, do not apply to this paragraph with respect to taxable years  
23 beginning after December 31, 1992, and before January 1, 1994, except that  
24 changes to the ~~internal revenue code~~ Internal Revenue Code made by P.L. 103-66,  
25 P.L. 103-465, P.L. 104-188, excluding section 1311 of P.L. 104-188, and P.L. 105-34,

1 P.L. 105-206 and P.L. 105-277 and changes that indirectly affect the provisions  
2 applicable to this subchapter made by P.L. 103-66, P.L. 103-465, P.L. 104-188,  
3 excluding section 1311 of P.L. 104-188, ~~and P.L. 105-34,~~ P.L. 105-206 and P.L.  
4 105-277, apply for Wisconsin purposes at the same time as for federal purposes.

5 **\*b0649/1.2\* SECTION 1722h.** 71.22 (4) (i) of the statutes is amended to read:  
6 71.22 (4) (i) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34  
7 (1g) and 71.42 (2), “~~internal revenue code~~ Internal Revenue Code”, for taxable years  
8 that begin after December 31, 1993, and before January 1, 1995, means the federal  
9 ~~internal revenue code~~ Internal Revenue Code as amended to December 31, 1993,  
10 excluding sections 103, 104 and 110 of P.L. 102-227 and sections 13113, 13150 (d),  
11 13171 (d), 13174, 13203 (d) and 13215 of P.L. 103-66, and as amended by P.L.  
12 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7,  
13 P.L. 104-188, excluding section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193 ~~and,~~  
14 P.L. 105-34, P.L. 105-206 and P.L. 105-277, and as indirectly affected in the  
15 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647  
16 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2) and 823 (c) (2) of  
17 P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L.  
18 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and  
19 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections  
20 13113, 13150 (d), 13171 (d), 13174, 13203 (d) and 13215 of P.L. 103-66, P.L. 103-296,  
21 P.L. 103-337, P.L. 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L.  
22 104-188, excluding section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193 ~~and,~~ P.L.  
23 105-34, P.L. 105-206 and P.L. 105-277. The ~~internal revenue code~~ Internal Revenue  
24 Code applies for Wisconsin purposes at the same time as for federal purposes.  
25 Amendments to the federal ~~internal revenue code~~ Internal Revenue Code enacted

1 after December 31, 1993, do not apply to this paragraph with respect to taxable years  
2 beginning after December 31, 1993, and before January 1, 1995, except that  
3 changes to the ~~internal revenue code~~ Internal Revenue Code made by P.L. 103-296,  
4 P.L. 103-337, P.L. 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L.  
5 104-188, excluding section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193 and, P.L.  
6 105-34, P.L. 105-206 and P.L. 105-277 and changes that indirectly affect the  
7 provisions applicable to this subchapter made by P.L. 103-296, P.L. 103-337, P.L.  
8 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188, excluding  
9 section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193 and, P.L. 105-34, P.L.  
10 105-206 and P.L. 105-277, apply for Wisconsin purposes at the same time as for  
11 federal purposes.

12 \*b0649/1.2\* SECTION 1722i. 71.22 (4) (j) of the statutes is amended to read:

13 71.22 (4) (j) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34  
14 (1g) and 71.42 (2), "~~internal revenue code~~ Internal Revenue Code", for taxable years  
15 that begin after December 31, 1994, and before January 1, 1996, means the federal  
16 ~~internal revenue code~~ Internal Revenue Code as amended to December 31, 1994,  
17 excluding sections 103, 104 and 110 of P.L. 102-227 and sections 13113, 13150 (d),  
18 13171 (d), 13174 and 13203 (d) of P.L. 103-66, and as amended by P.L. 104-7, P.L.  
19 104-188, excluding sections 1202, 1204, 1311 and 1605 of P.L. 104-188, P.L.  
20 104-191, P.L. 104-193 and, P.L. 105-34, P.L. 105-206 and P.L. 105-277, and as  
21 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.  
22 100-203, P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821  
23 (b) (2) and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L.  
24 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
25 excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.

1 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L.  
2 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,  
3 excluding sections 1202, 1204, 1311 and 1605 of P.L. 104-188, P.L. 104-191, P.L.  
4 104-193 and, P.L. 105-34, P.L. 105-206 and P.L. 105-277. The ~~internal revenue code~~  
5 Internal Revenue Code applies for Wisconsin purposes at the same time as for federal  
6 purposes. Amendments to the federal ~~internal revenue code~~ Internal Revenue Code  
7 enacted after December 31, 1994, do not apply to this paragraph with respect to  
8 taxable years beginning after December 31, 1994, and before January 1, 1996,  
9 except that changes to the ~~internal revenue code~~ Internal Revenue Code made by P.L.  
10 104-7, P.L. 104-188, excluding sections 1202, 1204, 1311 and 1605 of P.L. 104-188,  
11 P.L. 104-191, P.L. 104-193 and, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and  
12 changes that indirectly affect the provisions applicable to this subchapter made by  
13 P.L. 104-7, P.L. 104-188, excluding sections 1202, 1204, 1311 and 1605 of P.L.  
14 104-188, P.L. 104-191, P.L. 104-193 and, P.L. 105-34, P.L. 105-206 and P.L.  
15 105-277, apply for Wisconsin purposes at the same time as for federal purposes.

16 \*b0649/1.2\* SECTION 1722j. 71.22 (4) (k) of the statutes is amended to read:  
17 71.22 (4) (k) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34  
18 (1g) and 71.42 (2), "~~internal revenue code~~ Internal Revenue Code", for taxable years  
19 that begin after December 31, 1995, and before January 1, 1997, means the federal  
20 ~~internal revenue code~~ Internal Revenue Code as amended to December 31, 1995,  
21 excluding sections 103, 104 and 110 of P.L. 102-227 and sections 13113, 13150 (d),  
22 13171 (d), 13174 and 13203 (d) of P.L. 103-66, and as amended by P.L. 104-188,  
23 excluding sections 1123, 1202, 1204, 1311 and 1605 of P.L. 104-188, P.L. 104-191,  
24 P.L. 104-193, P.L. 105-33 and, P.L. 105-34, P.L. 105-206 and P.L. 105-277, and as  
25 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.

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1 100-203, P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821  
2 (b) (2) and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L.  
3 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
4 excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
5 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L.  
6 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,  
7 excluding sections 1123, 1202, 1204, 1311 and 1605 of P.L. 104-188, P.L. 104-191,  
8 P.L. 104-193, P.L. 105-33 and, P.L. 105-34, P.L. 105-206 and P.L. 105-277. The  
9 ~~internal revenue code~~ Internal Revenue Code applies for Wisconsin purposes at the  
10 same time as for federal purposes. Amendments to the federal ~~internal revenue code~~  
11 Internal Revenue Code enacted after December 31, 1995, do not apply to this  
12 paragraph with respect to taxable years beginning after December 31, 1995, and  
13 before January 1, 1997, except that changes to the Internal Revenue Code made by  
14 P.L. 104-188, excluding sections 1123, 1202, 1204, 1311 and 1605 of P.L. 104-188,  
15 P.L. 104-191, P.L. 104-193, P.L. 105-33 and, P.L. 105-34, P.L. 105-206 and P.L.  
16 105-277 and changes that indirectly affect the provisions applicable to this  
17 subchapter made by P.L. 104-188, excluding sections 1123, 1202, 1204, 1311 and  
18 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33 and, P.L. 105-34, P.L.  
19 105-206 and P.L. 105-277, apply for Wisconsin purposes at the same time as for  
20 federal purposes.

21 **\*b0649/1.2\* SECTION 1722k.** 71.22 (4) (L) of the statutes is amended to read:  
22 71.22 (4) (L) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34  
23 (1g) and 71.42 (2), "~~internal revenue code~~ Internal Revenue Code", for taxable years  
24 that begin after December 31, 1996, and before January 1, 1998, means the federal  
25 ~~internal revenue code~~ Internal Revenue Code as amended to December 31, 1996,

1 excluding sections 103, 104 and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171  
2 (d), 13174 and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311  
3 and 1605 (d) of P.L. 104–188, and as amendeded by P.L. 105–33 and, P.L. 105–34, P.L.  
4 105–206 and P.L. 105–277, and as indirectly affected in the provisions applicable to  
5 this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647 excluding sections 803  
6 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2) and 823 (c) (2) of P.L. 99–514 and section  
7 1008 (g) (5) of P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239,  
8 P.L. 101–508, P.L. 102–227, excluding sections 103, 104 and 110 of P.L. 102–227, P.L.  
9 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),  
10 13174 and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.  
11 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d)  
12 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33 and, P.L. 105–34, P.L.  
13 105–206 and P.L. 105–277. The ~~internal revenue code~~ Internal Revenue Code  
14 applies for Wisconsin purposes at the same time as for federal purposes.  
15 Amendments to the federal ~~internal revenue code~~ Internal Revenue Code enacted  
16 after December 31, 1996, do not apply to this paragraph with respect to taxable years  
17 beginning after December 31, 1996, and before January 1, 1998, except that  
18 changes to the ~~internal revenue code~~ Internal Revenue Code made by P.L. 105–33  
19 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277 and changes that indirectly affect  
20 the provisions applicable to this subchapter made by P.L. 105–33 and, P.L. 105–34,  
21 P.L. 105–206 and P.L. 105–277 apply for Wisconsin purposes at the same time as for  
22 federal purposes.

23 **\*b0649/1.2\* SECTION 1722L.** 71.22 (4) (m) of the statutes is amended to read:  
24 71.22 (4) (m) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34  
25 (1g) and 71.42 (2), “Internal Revenue Code”, for taxable years that begin after

1 December 31, 1997, and before January 1, 1999, means the federal Internal Revenue  
2 Code as amended to December 31, 1997, excluding sections 103, 104 and 110 of P.L.  
3 102–227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66 and  
4 sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104–188, and as  
5 amended by P.L. 105–178, P.L. 105–206 and P.L. 105–277, and as indirectly affected  
6 in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L.  
7 100–647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2) and 823  
8 (c) (2) of P.L. 99–514 and section 1008 (g) (5) of P.L. 100–647, P.L. 101–73, P.L.  
9 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections  
10 103, 104 and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding  
11 sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66, P.L.  
12 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections  
13 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104–188, P.L. 104–191 , P.L.  
14 104–193, P.L. 105–33 and, P.L. 105–34, P.L. 105–178, P.L. 105–206 and P.L. 105–277.  
15 The Internal Revenue Code applies for Wisconsin purposes at the same time as for  
16 federal purposes. Amendments to the federal Internal Revenue Code enacted after  
17 December 31, 1997, do not apply to this paragraph with respect to taxable years  
18 beginning after December 31, 1997, and before January 1, 1999, except that changes  
19 to the Internal Revenue Code made by P.L. 105–178, P.L. 105–206 and P.L. 105–277  
20 and changes that indirectly affect the provisions applicable to this subchapter made  
21 by P.L. 105–178, P.L. 105–206 and P.L. 105–277 apply for Wisconsin purposes at the  
22 same time as for federal purposes.

23 \*b0649/1.2\* SECTION 1722m. 71.22 (4) (n) of the statutes is created to read:

24 71.22 (4) (n) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34  
25 (1g) and 71.42 (2), “Internal Revenue Code”, for taxable years that begin after

1 December 31, 1998, means the federal Internal Revenue Code as amended to  
2 December 31, 1998, excluding sections 103, 104 and 110 of P.L. 102–227, sections  
3 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66 and sections 1123 (b),  
4 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104–188, and as indirectly affected in the  
5 provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647  
6 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2) and 823 (c) (2) of  
7 P.L. 99–514 and section 1008 (g) (5) of P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L.  
8 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104 and  
9 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections  
10 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L.  
11 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202  
12 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.  
13 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206 and P.L. 105–277. The Internal  
14 Revenue Code applies for Wisconsin purposes at the same time as for federal  
15 purposes. Amendments to the federal Internal Revenue Code enacted after  
16 December 31, 1998, do not apply to this paragraph with respect to taxable years  
17 beginning after December 31, 1998.

18 **\*b0649/1.2\* SECTION 1722n.** 71.22 (4m) (c) of the statutes is repealed.

19 **\*b0649/1.2\* SECTION 1722p.** 71.22 (4m) (d) of the statutes is amended to read:  
20 71.22 (4m) (d) For taxable years that begin after December 31, 1990, and  
21 before January 1, 1992, “~~internal revenue code~~ Internal Revenue Code”, for  
22 corporations that are subject to a tax on unrelated business income under s. 71.26  
23 (1) (a), means the federal ~~internal revenue code~~ Internal Revenue Code as amended  
24 to December 31, 1990, and as amended by P.L. 102–227, P.L. 102–486, P.L. 103–66,  
25 P.L. 104–188, excluding section 1311 of P.L. 104–188, and P.L. 105–34, P.L. 105–206

1 and P.L. 105-277, and as indirectly affected in the provisions applicable to this  
2 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,  
3 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, P.L. 102-486, P.L. 103-66,  
4 P.L. 104-188, excluding section 1311 of P.L. 104-188, and P.L. 105-34, P.L. 105-206  
5 and P.L. 105-277. The ~~internal revenue code~~ Internal Revenue Code applies for  
6 Wisconsin purposes at the same time as for federal purposes. Amendments to the  
7 ~~internal revenue code~~ Internal Revenue Code enacted after December 31, 1990, do  
8 not apply to this paragraph with respect to taxable years beginning after  
9 December 31, 1990, and before January 1, 1992, except that changes to the ~~internal~~  
10 ~~revenue code~~ Internal Revenue Code made by P.L. 102-227, P.L. 102-486, P.L.  
11 103-66, P.L. 104-188, excluding section 1311 of P.L. 104-188, and P.L. 105-34, P.L.  
12 105-206 and P.L. 105-277, and changes that indirectly affect the provisions  
13 applicable to this subchapter made by P.L. 102-227, P.L. 102-486, P.L. 103-66, P.L.  
14 104-188, excluding section 1311 of P.L. 104-188, and P.L. 105-34, P.L. 105-206 and  
15 P.L. 105-277, apply for Wisconsin purposes at the same time as for federal purposes.

16 \*b0649/1.2\* SECTION 1722q. 71.22 (4m) (e) of the statutes is amended to read:

17 71.22 (4m) (e) For taxable years that begin after December 31, 1991, and  
18 before January 1, 1993, "~~internal revenue code~~ Internal Revenue Code", for  
19 corporations that are subject to a tax on unrelated business income under s. 71.26  
20 (1) (a), means the federal ~~internal revenue code~~ Internal Revenue Code as amended  
21 to December 31, 1991, excluding sections 103, 104 and 110 of P.L. 102-227, and as  
22 amended by P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13101 (a)  
23 and (c) 1, 13171 and 13174 of P.L. 103-66, P.L. 104-188, excluding section 1311 of P.L.  
24 104-188, and P.L. 105-34, P.L. 105-206 and P.L. 105-277, and as indirectly affected  
25 in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L.

1 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.  
2 102-227, excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L.  
3 102-486, P.L. 103-66, excluding sections 13101 (a) and (c) 1, 13171 and 13174 of P.L.  
4 103-66, P.L. 104-188, excluding section 1311 of P.L. 104-188, and P.L. 105-34, P.L.  
5 105-206 and P.L. 105-277. The ~~internal revenue code~~ Internal Revenue Code  
6 applies for Wisconsin purposes at the same time as for federal purposes.  
7 Amendments to the ~~internal revenue code~~ Internal Revenue Code enacted after  
8 December 31, 1991, do not apply to this paragraph with respect to taxable years  
9 beginning after December 31, 1991, and before January 1, 1993, except that  
10 changes to the ~~internal revenue code~~ Internal Revenue Code made by P.L. 102-318,  
11 P.L. 102-486, P.L. 103-66, P.L. 104-188, excluding section 1311 of P.L. 104-188, and  
12 P.L. 105-34, P.L. 105-206 and P.L. 105-277 and changes that indirectly affect the  
13 provisions applicable to this subchapter made by P.L. 102-318, P.L. 102-486, P.L.  
14 103-66, P.L. 104-188, excluding section 1311 of P.L. 104-188, and P.L. 105-34, P.L.  
15 105-206 and P.L. 105-277, apply for Wisconsin purposes at the same time as for  
16 federal purposes.

17 \*b0649/1.2\* SECTION 1722r. 71.22 (4m) (f) of the statutes is amended to read:

18 71.22 (4m) (f) For taxable years that begin after December 31, 1992, and before  
19 January 1, 1994, "~~internal revenue code~~ Internal Revenue Code", <sup>delete space between</sup> <sup>quote and comma</sup> for corporations  
20 that are subject to a tax on unrelated business income under s. 71.26 (1) (a), means  
21 the federal ~~internal revenue code~~ Internal Revenue Code as amended to  
22 December 31, 1992, excluding sections 103, 104 and 110 of P.L. 102-227, and as  
23 amended by P.L. 103-66, excluding sections 13101 (a) and (c) 1, 13113, 13150, 13171,  
24 13174 and 13203 of P.L. 103-66, P.L. 103-465, P.L. 104-188, excluding section 1311  
25 of P.L. 104-188, and P.L. 105-34, P.L. 105-206 and P.L. 105-277, and as indirectly

1 affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203,  
2 P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508,  
3 P.L. 102-227, excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L.  
4 102-486, P.L. 103-66, excluding sections 13101 (a) and (c) 1, 13113, 13150, 13171,  
5 13174 and 13203 of P.L. 103-66, P.L. 103-465, P.L. 104-188, excluding section 1311  
6 of P.L. 104-188, and P.L. 105-34, P.L. 105-206 and P.L. 105-277. The ~~internal~~  
7 ~~revenue code~~ Internal Revenue Code applies for Wisconsin purposes at the same  
8 time as for federal purposes. Amendments to the ~~internal revenue code~~ Internal  
9 Revenue Code enacted after December 31, 1992, do not apply to this paragraph with  
10 respect to taxable years beginning after December 31, 1992, and before  
11 January 1, 1994, except that changes to the ~~internal revenue code~~ Internal Revenue  
12 Code made by P.L. 103-66, P.L. 103-465, P.L. 104-188, excluding section 1311 of P.L.  
13 104-188, and P.L. 105-34, P.L. 105-206 and P.L. 105-277 and changes that  
14 indirectly affect the provisions applicable to this subchapter made by P.L. 103-66,  
15 P.L. 103-465, P.L. 104-188, excluding section 1311 of P.L. 104-188, and P.L. 105-34,  
16 P.L. 105-206 and P.L. 105-277, apply for Wisconsin purposes at the same time as for  
17 federal purposes.

18 \*b0649/1.2\* SECTION 1722s. 71.22 (4m) (g) of the statutes is amended to read:

19 71.22 (4m) (g) For taxable years that begin after December 31, 1993, and  
20 before January 1, 1995, “~~internal revenue code~~ Internal Revenue Code”, for  
21 corporations that are subject to a tax on unrelated business income under s. 71.26  
22 (1) (a), means the federal ~~internal revenue code~~ Internal Revenue Code as amended  
23 to December 31, 1993, excluding sections 103, 104 and 110 of P.L. 102-227 and  
24 sections 13113, 13150 (d), 13171 (d), 13174, 13203 (d) and 13215 of P.L. 103-66, and  
25 as amended by P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, excluding

1 section 1 of P.L. 104–7, P.L. 104–188, excluding section 1311 of P.L. 104–188, P.L.  
2 104–191, P.L. 104–193 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277, and as  
3 indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L.  
4 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L.  
5 101–508, P.L. 102–227, excluding sections 103, 104 and 110 of P.L. 102–227, P.L.  
6 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),  
7 13174, 13203 (d) and 13215 of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465,  
8 P.L. 104–7, excluding section 1 of P.L. 104–7, P.L. 104–188, excluding section 1311  
9 of P.L. 104–188, P.L. 104–191, P.L. 104–193 and, P.L. 105–34, P.L. 105–206 and P.L.  
10 105–277. The ~~internal revenue code~~ Internal Revenue Code applies for Wisconsin  
11 purposes at the same time as for federal purposes. Amendments to the ~~internal~~  
12 ~~revenue code~~ Internal Revenue Code enacted after December 31, 1993, do not apply  
13 to this paragraph with respect to taxable years beginning after December 31, 1993,  
14 and before January 1, 1995, except that changes to the ~~internal revenue code~~  
15 Internal Revenue Code made by P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.  
16 104–7, excluding section 1 of P.L. 104–7, P.L. 104–188, excluding section 1311 of P.L.  
17 104–188, P.L. 104–191, P.L. 104–193 and, P.L. 105–34, P.L. 105–206 and P.L.  
18 105–277 and changes that indirectly affect the provisions applicable to this  
19 subchapter made by P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, excluding  
20 section 1 of P.L. 104–7, P.L. 104–188, excluding section 1311 of P.L. 104–188, P.L.  
21 104–191, P.L. 104–193 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277, apply for  
22 Wisconsin purposes at the same time as for federal purposes.

23 \*b0649/1.2\* SECTION 1722t. 71.22 (4m) (h) of the statutes is amended to read:  
24 71.22 (4m) (h) For taxable years that begin after December 31, 1994, and  
25 before January 1, 1996, “~~internal revenue code~~ Internal Revenue Code”, for

1 corporations that are subject to a tax on unrelated business income under s. 71.26  
2 (1) (a), means the federal ~~internal revenue code~~ Internal Revenue Code as amended  
3 to December 31, 1994, excluding sections 103, 104 and 110 of P.L. 102–227 and  
4 sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66, and as  
5 amended by P.L. 104–7, P.L. 104–188, excluding sections 1202, 1204, 1311 and 1605  
6 of P.L. 104–188, P.L. 104–191, P.L. 104–193 ~~and~~, P.L. 105–34, P.L. 105–206 and P.L.  
7 105–277, and as indirectly affected in the provisions applicable to this subchapter  
8 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,  
9 P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104 and 110 of P.L.  
10 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150  
11 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L.  
12 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1202, 1204, 1311 and 1605 of  
13 P.L. 104–188, P.L. 104–191, P.L. 104–193 ~~and~~, P.L. 105–34, P.L. 105–206 and P.L.  
14 105–277. The ~~internal revenue code~~ Internal Revenue Code applies for Wisconsin  
15 purposes at the same time as for federal purposes. Amendments to the ~~internal~~  
16 ~~revenue code~~ Internal Revenue Code enacted after December 31, 1994, do not apply  
17 to this paragraph with respect to taxable years beginning after December 31, 1994,  
18 and before January 1, 1996, except that changes to the ~~internal revenue code~~  
19 Internal Revenue Code made by P.L. 104–7, P.L. 104–188, excluding sections 1202,  
20 1204, 1311 and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193 ~~and~~, P.L. 105–34,  
21 P.L. 105–206 and P.L. 105–277 and changes that indirectly affect the provisions  
22 applicable to this subchapter made by P.L. 104–7, P.L. 104–188, excluding sections  
23 1202, 1204, 1311 and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193 ~~and~~, P.L.  
24 105–34, P.L. 105–206 and P.L. 105–277, apply for Wisconsin purposes at the same  
25 time as for federal purposes.

1           **\*b0649/1.2\* SECTION 1722u.** 71.22 (4m) (i) of the statutes is amended to read:  
2           71.22 (4m) (i) For taxable years that begin after December 31, 1995, and before  
3           January 1, 1997, “~~internal revenue code~~ Internal Revenue Code”, for corporations  
4           that are subject to a tax on unrelated business income under s. 71.26 (1) (a), means  
5           the federal ~~internal revenue code~~ Internal Revenue Code as amended to  
6           December 31, 1995, excluding sections 103, 104 and 110 of P.L. 102–227 and sections  
7           13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66, and as amended by  
8           P.L. 104–188, excluding sections 1123, 1202, 1204, 1311 and 1605 of P.L. 104–188,  
9           P.L. 104–191, P.L. 104–193, P.L. 105–33 and, P.L. 105–34, P.L. 105–206 and P.L.  
10          105–277, and as indirectly affected in the provisions applicable to this subchapter  
11          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,  
12          P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104 and 110 of P.L.  
13          102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150  
14          (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L.  
15          103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123, 1202, 1204, 1311 and  
16          1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, PL. 105–33 and, P.L. 105–34, P.L.  
17          105–206 and P.L. 105–277. The ~~internal revenue code~~ Internal Revenue Code  
18          applies for Wisconsin purposes at the same time as for federal purposes.  
19          Amendments to the ~~internal revenue code~~ Internal Revenue Code enacted after  
20          December 31, 1995, do not apply to this paragraph with respect to taxable years  
21          beginning after December 31, 1995, and before January 1, 1997, except that  
22          changes to the Internal Revenue Code made by P.L. 104–188, excluding sections  
23          1123, 1202, 1204, 1311 and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.  
24          105–33 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277 and changes that indirectly  
25          affect the provisions applicable to this subchapter made by P.L. 104–188, excluding

1 sections 1123, 1202, 1204, 1311 and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193,  
2 P.L. 105–33 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277, apply for Wisconsin  
3 purposes at the same time as for federal purposes.

4 **\*b0649/1.2\* SECTION 1722v.** 71.22 (4m) (j) of the statutes is amended to read:

5 71.22 (4m) (j) For taxable years that begin after December 31, 1996, and before  
6 January 1, 1998, “Internal Revenue Code”, for corporations that are subject to a tax  
7 on unrelated business income under s. 71.26 (1) (a), means the federal Internal  
8 Revenue Code as amended to December 31, 1996, excluding sections 103, 104 and  
9 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L.  
10 103–66, and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104–188  
11 and as amended by P.L. 105–33 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277, and  
12 as indirectly affected in the provisions applicable to this subchapter by P.L. 99–514,  
13 P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239,  
14 P.L. 101–508, P.L. 102–227, excluding sections 103, 104 and 110 of P.L. 102–227, P.L.  
15 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),  
16 13174 and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.  
17 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d)  
18 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33 and, P.L. 105–34, P.L.  
19 105–206 and P.L. 105–277. The Internal Revenue Code applies for Wisconsin  
20 purposes at the same time as for federal purposes. Amendments to the Internal  
21 Revenue Code enacted after December 31, 1996, do not apply to this paragraph with  
22 respect to taxable years beginning after December 31, 1996, and before  
23 January 1, 1998, except that changes to the Internal Revenue Code made by P.L.  
24 105–33 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277 and changes that indirectly  
25 affect provisions applicable to this subchapter made by P.L. 105–33 and, P.L. 105–34,

1 P.L. 105–206 and P.L. 105–277, apply for Wisconsin purposes at the same time as for  
2 federal purposes.

3 **\*b0649/1.2\* SECTION 1722w.** 71.22 (4m) (k) of the statutes is amended to read:  
4 71.22 (4m) (k) For taxable years that begin after December 31, 1997, and  
5 before January 1, 1999, “Internal Revenue Code”, for corporations that are subject  
6 to a tax on unrelated business income under s. 71.26 (1) (a), means the federal  
7 Internal Revenue Code as amended to December 31, 1997, excluding sections 103,  
8 104 and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203  
9 (d) of P.L. 103–66, and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L.  
10 104–188, and as amended by P.L. 105–178, P.L. 105–206 and P.L. 105–277, and as  
11 indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L.  
12 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L.  
13 101–508, P.L. 102–227, excluding sections 103, 104 and 110 of P.L. 102–227, P.L.  
14 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),  
15 13174 and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.  
16 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d)  
17 of P.L. 104–188, P.L. 104–191 , P.L. 104–193, P.L. 105–33 and, P.L. 105–34, P.L.  
18 105–178, P.L. 105–206 and P.L. 105–277. The Internal Revenue Code applies for  
19 Wisconsin purposes at the same time as for federal purposes. Amendments to the  
20 Internal Revenue Code enacted after December 31, 1997, do not apply to this  
21 paragraph with respect to taxable years beginning after December 31, 1997, and  
22 before January 1, 1999, except that changes to the Internal Revenue Code made by  
23 P.L. 105–178, P.L. 105–206 and P.L. 105–277 and changes that indirectly affect the  
24 provisions applicable to this subchapter made by P.L. 105–178, P.L. 105–206 and P.L.  
25 105–277 apply for Wisconsin purposes at the same time as for federal purposes.

1           **\*b0649/1.2\* SECTION 1722x.** 71.22 (4m) (L) of the statutes is created to read:

2           71.22 (4m) (L) For taxable years that begin after December 31, 1998, “Internal  
3 Revenue Code”, for corporations that are subject to a tax on unrelated business  
4 income under s. 71.26 (1) (a), means the federal Internal Revenue Code as amended  
5 to December 31, 1998, excluding sections 103, 104 and 110 of P.L. 102–227, sections  
6 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66, and sections 1123  
7 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104–188, and as indirectly affected  
8 in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L.  
9 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L.  
10 102–227, excluding sections 103, 104 and 110 of P.L. 102–227, P.L. 102–318, P.L.  
11 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and  
12 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L.  
13 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L.  
14 104–188, P.L. 104–191 , P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L.  
15 105–206 and P.L. 105–277. The Internal Revenue Code applies for Wisconsin  
16 purposes at the same time as for federal purposes. Amendments to the Internal  
17 Revenue Code enacted after December 31, 1998, do not apply to this paragraph with  
18 respect to taxable years beginning after December 31, 1998.

19           **\*b0677/3.1\* SECTION 1722g.** 71.22 (1r) of the statutes is created to read:

20           71.22 (1r) “Doing business” includes owning a direct or indirect interest in a  
21 general or limited partnership or limited liability company that transacts in this  
22 state for pecuniary gain.

23           **\*b0677/3.1\* SECTION 1722m.** 71.23 (1) of the statutes is amended to read:

24           71.23 (1) INCOME TAX. For the purpose of raising revenue for the state and the  
25 counties, cities, villages and towns, there shall be assessed, levied, collected and paid

1 a tax as provided under this chapter on all Wisconsin net incomes of corporations  
2 ~~which that~~ are not subject to the franchise tax under sub. (2) and ~~which that~~ own  
3 property within this state; that derive income from sources within this state or from  
4 activities that are attributable to this state; or whose business within this state  
5 during the taxable year, except as provided under sub. (3), consists exclusively of  
6 foreign commerce, interstate commerce, or both; except as exempted under s. 71.26  
7 (1). This section shall not be construed to prevent or affect the correction of errors or  
8 omissions in the assessments of income for former years under s. 71.74 (1) and (2).

9 **\*b0678/5.12\* SECTION 1722d.** 71.195 of the statutes is amended to read:

10 **71.195 Definition.** In this subchapter, “partnership” includes limited liability  
11 companies and other entities that are treated as partnerships under the Internal  
12 Revenue Code, and “partnership” does not include publicly traded partnerships  
13 treated as corporations under s. 71.22 ~~(1)~~ (1g).

14 **\*b0678/5.12\* SECTION 1722g.** 71.22 (1) of the statutes is renumbered 71.22  
15 (1g).

16 **\*b0678/5.12\* SECTION 1722h.** 71.22 (1d) of the statutes is created to read:

17 **71.22 (1d)** “Commercial domicile” means the location of a trade or business  
18 from which the trade or business is principally managed in the United States,  
19 regardless of whether the trade or business is organized under the laws of a foreign  
20 country, the commonwealth of Puerto Rico or any territory or possession of the  
21 United States. The location of the taxpayer’s trade or business at which the greatest  
22 number of the taxpayer’s employes work or are regularly connected, as of the last day  
23 of the taxable year, is rebuttably presumed to be the taxpayer’s commercial domicile.

24 **\*b0678/5.12\* SECTION 1722m.** 71.22 (3g) of the statutes is created to read:

1           71.22 (3g) “Intangible property” includes patents, copyrights, trademarks,  
2 trade names, service names, service marks, logos, franchises, licenses, plans,  
3 specifications, blueprints, processes, techniques, formulas, designs, layouts,  
4 patterns, drawings, manuals, customer lists, contracts, technical know-how and  
5 trade secrets. “Intangible property” does not include securities.

6           \*-1837/5.9\* SECTION 1729. 71.25 (6) of the statutes is renumbered 71.25 (6)  
7 (intro) and amended to read:

8           71.25 (6) ALLOCATION AND SEPARATE ACCOUNTING AND APPORTIONMENT FORMULA.  
9 (intro.) Corporations engaged in business within and without the state shall be taxed  
10 only on such income as is derived from business transacted and property located  
11 within the state. The amount of such income attributable to Wisconsin may be  
12 determined by an allocation and separate accounting thereof, when the business of  
13 such corporation within the state is not an integral part of a unitary business, but  
14 the department of revenue may permit an allocation and separate accounting in any  
15 case in which it is satisfied that the use of such method will properly reflect the  
16 income taxable by this state. In all cases in which allocation and separate accounting  
17 is not permissible, the determination shall be made in the following manner: for all  
18 businesses except financial organizations, public utilities, railroads, sleeping car  
19 companies, car line companies and corporations or associations that are subject to  
20 a tax on unrelated business income under s. 71.26 (1) (a) there shall first be deducted  
21 from the total net income of the taxpayer the part thereof (less related expenses, if  
22 any) that follows the situs of the property ~~or the residence of the recipient. The.~~  
23 Except as provide<sup>d</sup> in subs. (9d) and (9g), the remaining net income shall be  
24 apportioned to Wisconsin this state by use of an apportionment fraction composed  
25 of a sales factor under sub. (9) representing 50% of the fraction, a property factor

1 ~~under sub. (7) representing 25% of the fraction and a payroll factor under sub. (8)~~  
2 ~~representing 25% of the fraction. the following:~~

3 **\*b0678/5.16\* SECTION 1729b.** 71.25 (6) (a) of the statutes is created to read:

4 71.25 (6) (a) For taxable years beginning after December 31, 2000, and before  
5 January 1, 2002, an apportionment fraction composed of a sales factor under sub. (9)  
6 representing 63% of the fraction, a property factor under sub. (7) representing 18.5%  
7 of the fraction and a payroll factor under sub. (8) representing 18.5% of the fraction.

8 **\*b0678/5.16\* SECTION 1729c.** 71.25 (6) (b) of the statutes is created to read:

9 71.25 (6) (b) For taxable years beginning after December 31, 2001, and before  
10 January 1, 2003, an apportionment fraction composed of a sales factor under sub. (9)  
11 representing 85% of the fraction, a property factor under sub. (7) representing 7.5%  
12 of the fraction and a payroll factor under sub. (8) representing 7.5% of the fraction.

13 **\*b0678/5.16\* SECTION 1729d.** 71.25 (6) (c) of the statutes is created to read:

14 71.25 (6) (c) For taxable years beginning after December 31, 2002, an  
15 apportionment fraction composed of the sales factor under sub. (9).

16 **\*-1837/5.10\* SECTION 1730.** 71.25 (7) (intro.) of the statutes is amended to  
17 read:

18 71.25 (7) PROPERTY FACTOR. (intro.) For purposes of sub. (5) and for taxable  
19 years beginning before January 1, 2003:

20 **\*-1837/5.11\* SECTION 1731.** 71.25 (8) (intro.) of the statutes is amended to  
21 read:

22 71.25 (8) PAYROLL FACTOR. (intro.) For purposes of sub. (5) and for taxable years  
23 beginning before January 1, 2003:

24 **\*-1837/5.12\* SECTION 1732.** 71.25 (9) (d) of the statutes is amended to read:

1           71.25 (9) (d) Sales, other than sales of tangible personal property, are in this  
2 state if the income-producing activity is performed in this state. If the  
3 income-producing activity is performed both in and outside this state the sales shall  
4 be divided between those states having jurisdiction to tax such business in  
5 proportion to the direct costs of performance incurred in each such state in rendering  
6 this service. Services performed in states which do not have jurisdiction to tax the  
7 business shall be deemed to have been performed in the state to which compensation  
8 is allocated by sub. (8). This paragraph does not apply to taxable years beginning  
9 after December 31, 1999.

10           \*~~1837/5.13~~\* SECTION 1733. 71.25 (9) (dc) of the statutes is created to read:

11           71.25 (9) (dc) For taxable years beginning after December 31, 1999, sales,  
12 rents, royalties, and other income from real property, and the receipts from the lease  
13 or rental of tangible personal property are attributed to the state in which the  
14 property is located.

15           \*~~1837/5.14~~\* SECTION 1734. 71.25 (9) (dg) of the statutes is created to read:

16           71.25 (9) (dg) For taxable years beginning after December 31, 1999, receipts  
17 from the lease or rental of moving property including but not limited to motor  
18 vehicles, rolling stock, aircraft, vessels, or mobile equipment are included in the  
19 numerator of the sales factor under par. (a) to the extent that the property is used  
20 in this state. The use of moving property in this state is determined as follows:

21           1. The use of a motor vehicle or rolling stock in this state is determined by  
22 multiplying the gross receipts from the lease or rental of the motor vehicle or rolling  
23 stock by a fraction having as a numerator the number of miles traveled within this  
24 state by the motor vehicle or rolling stock while leased or rented in the taxable year

1 and having as a denominator the total number of miles traveled by the motor vehicle  
2 or rolling stock while leased or rented in the taxable year.

3 2. The use of an aircraft in this state is determined by multiplying the gross  
4 receipts from the lease or rental of the aircraft by a fraction having as a numerator  
5 the number of landings of the aircraft in this state while leased or rented in the  
6 taxable year and having as a denominator the total number of landings of the aircraft  
7 while leased or rented in the taxable year.

8 3. The use of a vessel or mobile equipment in this state is determined by  
9 multiplying the gross receipts from the lease or rental of the vessel or mobile  
10 equipment by a fraction having as a numerator the number of days that the vessel  
11 or mobile equipment is in this state while leased or rented in the taxable year and  
12 having as a denominator the total number of days that the vessel or mobile  
13 equipment is leased or rented in the taxable year.

14 4. If the taxpayer does not know the location of moving property while such  
15 property is leased or rented in the taxable year, the moving property is used in the  
16 state in which such property is located at the time the lessee or renter takes  
17 possession of the property.

18 \*b0678/5.18\* SECTION 1735. 71.25 (9) (dn) of the statutes is created to read:

19 71.25 (9) (dn) For taxable years beginning after December 31, 1999, gross  
20 royalties and gross income received for the use of intangible property are attributed  
21 to this state if any of the following applies:

22 1. The purchaser of intangible property uses the intangible property in the  
23 production, fabrication or manufacturing of a product that is sold to a customer who  
24 is located in this state.

1           2. The purchaser of intangible property uses the intangible property in the  
2 printing or publication of materials that are sold to a customer who is located in this  
3 state.

4           3. The purchaser of intangible property uses the intangible property in the  
5 operation of a trade or business at a location in this state.

6           4. The purchaser of intangible property is billed for the purchase of the  
7 intangible property at a location in this state.

8           5. The taxpayer is not subject to income tax in the state in which the intangible  
9 property is used but the taxpayer's commercial domicile is in this state.

10           **\*b0678/5.18\* SECTION 1736.** 71.25 (9) (dr) of the statutes is created to read:

11           71.25 (9) (dr) 1. For taxable years beginning after December 31, 1999, receipts  
12 from a service are attributed to the state where the purchaser of the service received  
13 the benefit of the service. The benefit of a service is received in this state if any of  
14 the following applies:

15           a. The service relates to real property that is located in this state.

16           b. The service relates to tangible personal property that is located in this state  
17 at the time that the service is received.

18           c. The service is provided to a person who is located in this state.

19           d. The service is provided to a person doing business in this state.

20           e. The service is performed at a location in this state.

21           2. If the purchaser of a service receives the benefit of a service in more than one  
22 state, the receipts from the performance of the service are included in the numerator  
23 of the sales factor under par. (a) according to the portion of the service received in this  
24 state. If the state where a purchaser received the benefit of a service cannot be  
25 determined, the benefit of a service is received in the state where the purchaser, in

1 the regular course of the purchaser's business, ordered the service. If the state where  
2 a purchaser ordered a service cannot be determined, the benefit of the service is  
3 received in the state where the purchaser, in the regular course of the purchaser's  
4 business, receives a bill for the service.

5 3. If the taxpayer is not subject to income tax in the state in which the benefit  
6 of the service is received, the benefit of the service is received in this state to the  
7 extent that the taxpayer's employes or representatives performed services from a  
8 location in this state.

9 **\*b0678/5.18\* SECTION 1736b.** 71.25 (9) (ds) of the statutes is created to read:

10 71.25 (9) (ds) 1. For taxable years beginning after December 31, 1999, the gate  
11 receipts from professional sporting events are attributed to the state in which the  
12 taxpayer's sports facility is located. Gate receipts include the taxpayer's in-state  
13 gate receipts and the taxpayer's share of out-of-state gate receipts.

14 2. For taxable years beginning after December 31, 1999, radio and television  
15 receipts received by the taxpayer from a professional sports association contract with  
16 a communications network are attributed to this state in proportion to the number  
17 of events held in this state in which the taxpayer's team is a participant and that are  
18 related to the contract compared to the total number of events in which the  
19 taxpayer's team is a participant and that are related to the contract.

20 **\*b0678/5.18\* SECTION 1736c.** 71.25 (9) (dt) of the statutes is created to read:

21 71.25 (9) (dt) 1. For taxable years beginning after December 31, 1999, the gross  
22 receipts from radio and television broadcasting, including advertising revenue, are  
23 attributed to this state in proportion to the audience in this state as compared to the  
24 total audience.

1           2. For taxable years beginning after December 31, 1999, the gross receipts from  
2 newspapers and magazines, including advertising revenue, are attributed to this  
3 state in proportion to the circulation in this state as compared to the total circulation.

4           **\*b0678/5.18\* SECTION 1736d.** 71.25 (9) (dw) of the statutes is created to read:

5           71.25 (9) (dw) 1. Except as provided in subds. 2. and 3., if a person doing  
6 business in this state and outside this state owns a business that is subject to  
7 apportionment under sub. (6) or s. 71.04 (4) and a business that is a subject to  
8 apportionment under sub. (10), the person shall apportion income as provided under  
9 sub. (6) or s. 71.04 (4).

10           2. A person who has filed a tax return and who has reported income on the  
11 return as apportioned under subd. 1 may request permission from the department  
12 to use an alternative apportionment method in the next taxable year, if the person  
13 receives at least 50% of the person's total gross receipts in a taxable year from a  
14 business described under sub. (10) (c). If the department grants permission to a  
15 person to use an alternative apportionment method under this subdivision, the  
16 person may not use the alternative method, and shall apportion income under subd.  
17 1., if the person receives less than 50% of the person's total gross receipts in a taxable  
18 year from a business described under sub. (10) (c).

19           3. The department may require that a person who is subject to apportionment  
20 under this subsection use an alternative apportionment method to accurately reflect  
21 income that is attributable to this state.

22           **\*-1837/5.17\* SECTION 1737.** 71.25 (9) (e) (title) of the statutes is repealed.

23           **\*-1837/5.18\* SECTION 1738.** 71.25 (9) (f) (title) of the statutes is repealed.

24           **\*b0677/3.2\* SECTION 1738g.** 71.25 (15) of the statutes is created to read:

1           71.25 (15) PARTNERSHIPS AND LIMITED LIABILITY COMPANIES. (a) A general or  
2 limited partner's share of the numerator and denominator of a partnership's  
3 apportionment fractions under this section are included in the numerator and  
4 denominator of the general or limited partner's apportionment fractions under this  
5 section.

6           (b) If a limited liability company is considered by the department of revenue  
7 to be a partnership, for tax purposes, a member's share of the numerator and  
8 denominator of a limited liability company's apportionment fractions under this  
9 section are included in the numerator and denominator of the member's  
10 apportionment fractions under this section.

11           **\*b0678/5.19\* SECTION 1738g.** 71.25 (9d) of the statutes is created to read:

12           71.25 (9d) FINANCIAL ORGANIZATIONS. (a) *Definitions.* In this subsection:

13           1. "Billing address" means the address to which a taxpayer under this  
14 subsection sends a notice, statement or bill to the taxpayer's customer.

15           2. "Credit card" includes a debit card and a travel and entertainment card.

16           3. "Credit card reimbursement fee" means the fee that a taxpayer receives from  
17 a merchant's bank because a person to whom the taxpayer has issued a credit card  
18 has paid for merchandise or services sold by the merchant with the credit card.

19           4. "Financial organization" means a bank; a savings bank; a bank holding  
20 company; a savings and loan association; a trust company; a credit union, except a  
21 credit union that is exempt from taxes under s. 71.26 (1) (a); a production credit  
22 association; or an agency or branch of a foreign depository; whether chartered under  
23 the laws of this state, another state or territory, the laws of the United States or the  
24 laws of a foreign county. "Financial organization" includes a corporation that derives  
25 at least 50% of its total gross income from finance leases, including direct finance

1 leases and leverage leases as defined by rule, and a corporation that derives at least  
2 50% of its total gross income from an activity that a financial organization performs,  
3 except that “financial organization” does not include an insurance company that is  
4 taxable under s. 71.43 or a real estate broker, securities dealer or broker–dealer that  
5 is taxable under s. 71.26.

6 5. “Loan” means any extension of credit or creation of debt that results from  
7 direct negotiations between the taxpayer under this subsection and the taxpayer’s  
8 customer; the purchase, in whole or in part, of an extension of credit; and  
9 participations, syndications and leases that are considered loans for federal income  
10 tax purposes. “Loan” does not include loans under section 595 of the Internal  
11 Revenue Code; futures or forward contracts; options; notional principal contracts;  
12 credit card receivables; purchased credit card relationships; noninterest bearing  
13 balances that are due from depository institutions; cash items in the process of  
14 collection; federal funds sold; securities; assets held in a trading account; and  
15 interest in any mortgage–backed or assets–backed security.

16 6. “Merchant discount” means a fee or discount that is charged to a merchant  
17 for accepting a credit card as payment for merchandise or services that are sold to  
18 the credit card holder.

19 7. “State” means a state of the United States, the District of Columbia, the  
20 commonwealth of Puerto Rico or a territory or possession of the United States.

21 8. “Taxpayer” means a financial organization that is subject to apportionment  
22 under this subsection.

23 (b) *Apportionment.* For taxable years beginning after December 31, 1999, a  
24 financial organization that does business in this state and outside this state shall  
25 apportion its net business income as provided in this subsection. A taxpayer that is

1 subject to this subsection shall apportion its nonbusiness income under sub. (5) (b)  
2 and shall deduct the net business income that follows the situs of its property from  
3 its total net business income. The taxpayer's remaining net business income shall  
4 be apportioned to this state by multiplying the remaining net business income by an  
5 apportionment fraction that has as a numerator the gross receipts of the taxpayer  
6 in this state during the taxable year and that has a denominator the taxpayer's total  
7 gross receipts during the taxable year. The following sources of a taxpayer's business  
8 income are subject to apportionment:

9 1. 'Gross receipts from the lease of real property.' Gross receipts from the lease,  
10 rental or sublease of real property owned by the taxpayer shall be apportioned under  
11 sub. (9) (dc).

12 2. 'Gross receipts from the lease of tangible personal property.' Gross receipts  
13 from the lease, rental or sublease of tangible personal property owned by the  
14 taxpayer shall be apportioned under sub. (9) (dc) and (dg).

15 3. 'Gross interest from loans secured by real property.' The numerator of the  
16 apportionment fraction includes gross interest, fees or penalties from loans that are  
17 secured by real property if the real property is located in this state at the time the  
18 loan is secured and if the value of the real property represents at least 50% of the  
19 aggregate value of the collateral that is used to secure the loan. If the real property  
20 that is used to secure a loan is located in this state and in another state or a foreign  
21 country, the gross interest, fees or penalties from the loan are included in the  
22 numerator of the apportionment fraction, if at least 50% of the fair market value of  
23 the real property is located within this state or if the loan borrower is located in this  
24 state.

1           4. 'Gross interest from loans.' The numerator of the apportionment fraction  
2 includes gross interest, fees or penalties from loans that are not secured by real  
3 property, if the loan borrower is located in this state.

4           5. 'Sale of loans.' The numerator of the apportionment fraction includes income  
5 from the sale of loans and income under section 1286 of the Internal Revenue Code.  
6 The income that is included in the numerator is determined as follows:

7           a. The gross receipts from the sale of loans secured by real property is  
8 multiplied by a fraction that has as a numerator the amount included in the  
9 numerator under subd. 3 and that has as a denominator the total amount of interest,  
10 fees and penalties from loans that are secured by real property.

11           b. The net gains from the sale of loans that are not secured by real property is  
12 multiplied by a fraction that has as a numerator the amount included in the  
13 numerator under subd. 4. and that has as a denominator the total amount of interest,  
14 fees and penalties from loans that are not secured by real property.

15           6. 'Credit card receivables.' The numerator of the apportionment fraction  
16 includes gross interest, fees or penalties from credit card receivables and gross  
17 receipts from fees charged to credit card holders, if the billing address of the credit  
18 card holder is in this state.

19           7. 'Gross receipts from the sale of credit card receivables.' The numerator of  
20 the apportionment fraction includes gross receipts from the sale of credit card  
21 receivables, multiplied by a fraction that has as a numerator the amount included  
22 in the numerator under subd. 6. and that has as a denominator the total amount of  
23 interest, fees and penalties that are charged to credit card holders.

24           8. 'Credit card reimbursement fees.' The numerator of the apportionment  
25 fraction includes credit card reimbursement fees, multiplied by a fraction that has

1 as a numerator the amount included in the numerator under subd. 6. and that has  
2 as a denominator the total amount of interest, fees and penalties that are charged  
3 to credit card holders.

4 9. 'Gross receipts from a merchant discount.' The numerator of the  
5 apportionment fraction includes gross receipts from a merchant discount if the  
6 merchant's business is principally managed from a location in this state. The gross  
7 receipts from a merchant discount shall not include credit card holder charge backs.  
8 The amount of gross receipts from a merchant discount shall not be reduced by  
9 interchange transaction fees or by a credit card reimbursement fee.

10 10. 'Loan servicing fees.' a. The numerator of the apportionment fraction  
11 includes loan servicing fees derived from loans that are secured by real property,  
12 multiplied by a fraction that has as a numerator the amount included in the  
13 numerator under subd. 3. and that has as a denominator the total amount of interest,  
14 fees and penalties from loans that are secured by real property. The numerator of  
15 the apportionment fraction also includes loan servicing fees derived from loans that  
16 are not secured by real property, multiplied by a fraction that has as a numerator the  
17 amount included in the numerator under subd. 4. and that has as a denominator the  
18 total amount of interest, fees and penalties from loans that are not secured by real  
19 property.

20 b. If the taxpayer receives loan servicing fees for servicing a loan, the  
21 numerator of the apportionment fraction shall include such fees if the borrower of  
22 the loan is located in this state.

23 11. 'Gross income from investment banking services.' The numerator of the  
24 apportionment fraction includes gross income, including commissions, management

1 fees or underwriting fees, earned from investment banking services if the purchaser  
2 of the services is located in this state.

3 12. ‘Gross receipts from other services.’ The gross receipts from services that  
4 are not described under subs. 1. to 11. shall be apportioned under sub. (9) (dr).

5 13. ‘Other sales.’ Sales under sub. (9) that are not apportioned under this  
6 subsection shall be apportioned under sub. (9).

7 (c) *Receipts not taxed.* Fifty percent of the gross receipts of the taxpayer that  
8 are apportioned under this subsection to a state in which the taxpayer is not taxable  
9 is included in the numerator of the apportionment fraction under par. (b), if the  
10 taxpayer’s commercial domicile is in this state.

11 \*b0678/5.19\* SECTION 1738k. 71.25 (9g) of the statutes is created to read:

12 71.25 (9g) BROKERS AND UNDERWRITERS. (a) *Definitions.* In this subsection:

13 1. “Billing address” has the meaning given in sub. (9d) (a) 1.

14 2. “Brokerage commission” includes sales fees on agency or principal  
15 transactions.

16 3. “Broker–dealer” means a person who does business as a broker of securities  
17 or commodities. “Broker–dealer” does not include a sales agent; a bank, savings  
18 institution or trust company that enters a securities or commodities transaction as  
19 an agent; a executor, guardian or conservator who enters a securities or commodities  
20 transaction as an agent for another; or a person who purchases or sells the person’s  
21 own securities or commodities.

22 4. “Taxpayer” means a broker or an underwriter who is subject to  
23 apportionment under this subsection.

24 5. “Underwriter” means a person who guarantees to provide a definite sum of  
25 money by a definite date to a corporate or government entity in exchange for

1 securities; who markets a corporate or government security offering to the public; or  
2 who buys a security offering for a specified price and sells the security offering to the  
3 public.

4 (b) *Apportionment.* For taxable years beginning after December 31, 1999, a  
5 broker or an underwriter who does business in this state and outside this state shall  
6 apportion its net business income as provided under this subsection. A taxpayer that  
7 is subject to this subsection shall apportion its nonbusiness income under sub. (5) (b)  
8 and shall deduct the net business income that follows the situs of its property from  
9 its total net business income. The taxpayer's remaining net business income shall  
10 be apportioned to this state by multiplying the remaining net business income by an  
11 apportionment fraction that has as a numerator the gross receipts of the taxpayer  
12 in this state during the taxable year and that has a denominator the taxpayer's total  
13 gross receipts during the taxable year. The following sources of a taxpayer's business  
14 income are subject to apportionment:

15 1. 'Security brokerage services.' The numerator of the apportionment fraction  
16 includes gross brokerage commissions and total margin interest paid on behalf of  
17 brokerage accounts owned by customers, if the billing address of the customer is in  
18 this state.

19 2. 'Underwriting services.' The numerator of the apportionment fraction  
20 includes gross income, including commissions, management fees or underwriting  
21 fees, earned from underwriting services if the purchaser of the services is located in  
22 this state.

23 3. 'Other services.' The numerator of the apportionment fraction includes gross  
24 income, including commissions or management fees, earned from providing

1 investment research, management services or financial services to a customer, if the  
2 customer's billing address is in this state.

3 4. 'Other sales.' Sales under sub. (9) that are not apportioned under this  
4 subsection shall be apportioned under sub. (9).

5 (c) *Receipts not taxed.* Fifty percent of the gross receipts of the taxpayer that  
6 are apportioned under this subsection to a state in which the taxpayer is not taxable  
7 are included in the numerator of the apportionment fraction under par. (b), if the  
8 taxpayer's commercial domicile is in this state.

9 **\*b0678/5.19\* SECTION 1738m.** 71.25 (10) (title) of the statutes is amended to  
10 read:

11 71.25 (10) (title) RAILROADS, ~~FINANCIAL ORGANIZATIONS~~ TELECOMMUNICATIONS  
12 COMPANIES AND PUBLIC UTILITIES.

13 **\*b0678/5.19\* SECTION 1738n.** 71.25 (10) (a) of the statutes is amended to read:

14 71.25 (10) (a) In this section, "financial organization" means any bank, trust  
15 company, savings bank, industrial bank, land bank, safe deposit company, private  
16 banker, savings and loan association, credit union, cooperative bank, small loan  
17 company, sales finance company, investment company, brokerage house,  
18 underwriter or any type of insurance company. This paragraph does not apply to  
19 taxable years beginning after December 31, 1999.

20 **\*b0678/5.19\* SECTION 1738p.** 71.25 (10) (c) of the statutes is amended to read:

21 71.25 (10) (c) The net business income of railroads, sleeping car companies, car  
22 line companies, financial organizations, telecommunications companies and public  
23 utilities requiring apportionment shall be apportioned pursuant to rules of the  
24 department of revenue, but the income taxed is limited to the income derived from  
25 business transacted and property located within the state. For taxable years

1 beginning after December 31, 1999, the net business income of financial  
2 organizations shall be apportioned under sub. (9d).

3 **\*b0678/5.19\* SECTION 1738r.** 71.25 (11) of the statutes is amended to read:

4 71.25 (11) DEPARTMENT MAY WAIVE FACTOR. Where, in the case of any corporation  
5 engaged in business within and without the state of Wisconsin and required to  
6 apportion its income as provided in sub. (6), it shall be shown to the satisfaction of  
7 the department of revenue that the use of any one of the 3 factors provided in sub.  
8 (6) gives an unreasonable or inequitable final average ratio because of the fact that  
9 such corporation does not employ, to any appreciable extent in its trade or business  
10 in producing the income taxed, the factors made use of in obtaining such ratio, this  
11 factor may, with the approval of the department of revenue, be omitted in obtaining  
12 the final average ratio which is to be applied to the remaining net income. This  
13 subsection does not apply to taxable years beginning after December 31, 2002.

14 **\*-0030/2.112\* SECTION 1740.** 71.26 (1) (b) of the statutes is amended to read:

15 71.26 (1) (b) *Political units.* Income received by the United States, the state  
16 and all counties, cities, villages, towns, school districts, technical college districts,  
17 joint local water authorities created under s. 66.0735, family care districts under s.  
18 46.2895 or other political units of this state.

19 **\*b0438/2.6\* SECTION 1740d.** 71.26 (2) (a) of the statutes is amended to read:

20 71.26 (2) (a) *Corporations in general.* The “net income” of a corporation means  
21 the gross income as computed under the internal revenue code as modified under  
22 sub. (3) minus the amount of recapture under s. 71.28 (1di) plus the amount of credit  
23 computed under s. 71.28 (1) and (3) to (5) plus the amount of the credit computed  
24 under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds) ~~and~~, (1dx) and (1dy) and not  
25 passed through by a partnership, limited liability company or tax-option corporation

1 that has added that amount to the partnership's, limited liability company's or  
2 tax-option corporation's income under s. 71.21 (4) or 71.34 (1) (g) plus the amount  
3 of losses from the sale or other disposition of assets the gain from which would be  
4 wholly exempt income, as defined in sub. (3) (L), if the assets were sold or otherwise  
5 disposed of at a gain and minus deductions, as computed under the internal revenue  
6 code as modified under sub. (3), plus or minus, as appropriate, an amount equal to  
7 the difference between the federal basis and Wisconsin basis of any asset sold,  
8 exchanged, abandoned or otherwise disposed of in a taxable transaction during the  
9 taxable year, except as provided in par. (b) and s. 71.45 (2) and (5).

10 **\*b0649/1.3\* SECTION 1740d.** 71.26 (2) (b) 5. of the statutes is repealed.

11 **\*b0649/1.3\* SECTION 1740e.** 71.26 (2) (b) 6. of the statutes is amended to read:

12 71.26 (2) (b) 6. For taxable years that begin after December 31, 1990, and  
13 before January 1, 1992, for a corporation, conduit or common law trust which  
14 qualifies as a regulated investment company, real estate mortgage investment  
15 conduit or real estate investment trust under the ~~internal revenue code~~ Internal  
16 Revenue Code as amended to December 31, 1990, and as amended by P.L. 102-227,  
17 P.L. 102-486, P.L. 103-66, P.L. 104-188, excluding section 1311 of P.L. 104-188, and,  
18 P.L. 105-34, P.L. 105-206 and P.L. 105-277, and as indirectly affected in the  
19 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,  
20 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
21 P.L. 102-486, P.L. 103-66, P.L. 104-188, excluding section 1311 of P.L. 104-188, and  
22 P.L. 105-34, P.L. 105-206 and P.L. 105-277, "net income" means the federal  
23 regulated investment company taxable income, federal real estate mortgage  
24 investment conduit taxable income or federal real estate investment trust taxable  
25 income of the corporation, conduit or trust as determined under the ~~internal revenue~~

1 ~~code~~ Internal Revenue Code as amended to December 31, 1990, and as amended by  
2 P.L. 102–227, P.L. 102–486, P.L. 103–66, P.L. 104–188, excluding section 1311 of P.L.  
3 104–188, ~~and P.L. 105–34, P.L. 105–206 and P.L. 105–277~~ and as indirectly affected  
4 in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L.  
5 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L.  
6 102–227, P.L. 102–486, P.L. 103–66, P.L. 104–188, excluding section 1311 of P.L.  
7 104–188, ~~and P.L. 105–34, P.L. 105–206 and P.L. 105–277~~, except that property that,  
8 under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated for taxable  
9 years 1983 to 1986 under the ~~internal revenue code~~ Internal Revenue Code as  
10 amended to December 31, 1980, shall continue to be depreciated under the ~~internal~~  
11 ~~revenue code~~ Internal Revenue Code as amended to December 31, 1980, and except  
12 that the appropriate amount shall be added or subtracted to reflect differences  
13 between the depreciation or adjusted basis for federal income tax purposes and the  
14 depreciation or adjusted basis under this chapter of any property disposed of during  
15 the taxable year. The ~~internal revenue code~~ Internal Revenue Code as amended to  
16 December 31, 1990, and as amended by P.L. 102–227, P.L. 102–486, P.L. 103–66, P.L.  
17 104–188, excluding section 1311 of P.L. 104–188, ~~and P.L. 105–34, P.L. 105–206 and~~  
18 ~~P.L. 105–277~~, and as indirectly affected in the provisions applicable to this  
19 subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140,  
20 P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, P.L. 102–486, P.L. 103–66,  
21 P.L. 104–188, excluding section 1311 of P.L. 104–188, ~~and P.L. 105–34, P.L. 105–206~~  
22 ~~and P.L. 105–277~~, applies for Wisconsin purposes at the same time as for federal  
23 purposes. Amendments to the ~~internal revenue code~~ Internal Revenue Code enacted  
24 after December 31, 1990, do not apply to this subdivision with respect to taxable  
25 years that begin after December 31, 1990, and before January 1, 1992, except that

1 changes to the ~~internal revenue code~~ Internal Revenue Code made by P.L. 102-227,  
2 P.L. 102-486, P.L. 103-66, P.L. 104-188, excluding section 1311 of P.L. 104-188, and  
3 P.L. 105-34, P.L. 105-206 and P.L. 105-277 and changes that indirectly affect the  
4 provisions applicable to this subchapter made by P.L. 102-227, P.L. 102-486, P.L.  
5 103-66, P.L. 104-188, excluding section 1311 of P.L. 104-188, and, P.L. 105-34, P.L.  
6 105-206 and P.L. 105-277, apply for Wisconsin purposes at the same time as for  
7 federal purposes.

8 **\*b0649/1.3\* SECTION 1740f.** 71.26 (2) (b) 7. of the statutes is amended to read:

9 71.26 (2) (b) 7. For taxable years that begin after December 31, 1991, and  
10 before January 1, 1993, for a corporation, conduit or common law trust which  
11 qualifies as a regulated investment company, real estate mortgage investment  
12 conduit or real estate investment trust under the ~~internal revenue code~~ Internal  
13 Revenue Code as amended to December 31, 1991, excluding sections 103, 104 and  
14 110 of P.L. 102-227, and as amended by P.L. 102-318, P.L. 102-486, P.L. 103-66,  
15 excluding sections 13101 (a) and (c) 1, 13171 and 13174 of P.L. 103-66, P.L. 104-188,  
16 excluding section 1311 of P.L. 104-188, and P.L. 105-34, P.L. 105-206 and P.L.  
17 105-277, and as indirectly affected in the provisions applicable to this subchapter  
18 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,  
19 P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and 110 of P.L.  
20 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13101 (a) and  
21 (c) 1, 13171 and 13174 of P.L. 103-66, P.L. 104-188, excluding section 1311 of P.L.  
22 104-188, and P.L. 105-34, P.L. 105-206 and P.L. 105-277, “net income” means the  
23 federal regulated investment company taxable income, federal real estate mortgage  
24 investment conduit taxable income or federal real estate investment trust taxable  
25 income of the corporation, conduit or trust as determined under the ~~internal revenue~~

1 ~~code~~ Internal Revenue Code as amended to December 31, 1991, excluding sections  
2 103, 104 and 110 of P.L. 102–227, and as amended by P.L. 102–318, P.L. 102–486, P.L.  
3 103–66, excluding sections 13101 (a) and (c) 1, 13171 and 13174 of P.L. 103–66, P.L.  
4 104–188, excluding section 1311 of P.L. 104–188, ~~and P.L. 105–34, P.L. 105–206 and~~  
5 P.L. 105–277 and as indirectly affected in the provisions applicable to this  
6 subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140,  
7 P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104  
8 and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections  
9 13101 (a) and (c) 1, 13171 and 13174 of P.L. 103–66, P.L. 104–188, excluding section  
10 1311 of P.L. 104–188, ~~and P.L. 105–34, P.L. 105–206 and P.L. 105–277,~~ except that  
11 property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated  
12 for taxable years 1983 to 1986 under the ~~internal revenue code~~ Internal Revenue  
13 Code as amended to December 31, 1980, shall continue to be depreciated under the  
14 ~~internal revenue code~~ Internal Revenue Code as amended to December 31, 1980,  
15 and except that the appropriate amount shall be added or subtracted to reflect  
16 differences between the depreciation or adjusted basis for federal income tax  
17 purposes and the depreciation or adjusted basis under this chapter of any property  
18 disposed of during the taxable year. The ~~internal revenue code~~ Internal Revenue  
19 Code as amended to December 31, 1991, excluding sections 103, 104 and 110 of P.L.  
20 102–227, and as amended by P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding  
21 sections 13101 (a) and (c) 1, 13171 and 13174 of P.L. 103–66, P.L. 104–188, excluding  
22 section 1311 of P.L. 104–188, ~~and P.L. 105–34, P.L. 105–206 and P.L. 105–277,~~ and  
23 as indirectly affected in the provisions applicable to this subchapter by P.L. 99–514,  
24 P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239,  
25 P.L. 101–508, P.L. 102–227, excluding sections 103, 104 and 110 of P.L. 102–227, P.L.

1 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13101 (a) and (c) 1, 13171 and  
2 13174 of P.L. 103-66, P.L. 104-188, excluding section 1311 of P.L. 104-188, and P.L.  
3 105-34, P.L. 105-206 and P.L. 105-277 applies for Wisconsin purposes at the same  
4 time as for federal purposes. Amendments to the ~~internal revenue code~~ Internal  
5 Revenue Code enacted after December 31, 1991, do not apply to this subdivision with  
6 respect to taxable years that begin after December 31, 1991, and before  
7 January 1, 1993, except that changes to the ~~internal revenue code~~ Internal Revenue  
8 Code made by P.L. 102-318, P.L. 102-486, P.L. 103-66, P.L. 104-188, excluding  
9 section 1311 of P.L. 104-188, and P.L. 105-34, P.L. 105-206 and P.L. 105-277 and  
10 changes that indirectly affect the provisions applicable to this subchapter made by  
11 P.L. 102-318, P.L. 102-486, P.L. 103-66, P.L. 104-188, excluding section 1311 of P.L.  
12 104-188, and P.L. 105-34, P.L. 105-206 and P.L. 105-277 apply for Wisconsin  
13 purposes at the same time as for federal purposes.

14 **\*b0649/1.3\* SECTION 1740g.** 71.26 (2) (b) 8. of the statutes is amended to read:

15 71.26 (2) (b) 8. For taxable years that begin after December 31, 1992, and  
16 before January 1, 1994, for a corporation, conduit or common law trust which  
17 qualifies as a regulated investment company, real estate mortgage investment  
18 conduit or real estate investment trust under the ~~internal revenue code~~ Internal  
19 Revenue Code as amended to December 31, 1992, excluding sections 103, 104 and  
20 110 of P.L. 102-227, and as amended by P.L. 103-66, excluding sections 13101 (a) and  
21 (c) 1., 13113, 13150, 13171, 13174 and 13203 of P.L. 103-66, P.L. 103-465, P.L.  
22 104-188, excluding section 1311 of P.L. 104-188, and P.L. 105-34, P.L. 105-206 and  
23 P.L. 105-277, and as indirectly affected in the provisions applicable to this  
24 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,  
25 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104

1 and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections  
2 13101 (a) and (c) 1, 13113, 13150, 13171, 13174 and 13203 of P.L. 103–66, P.L.  
3 103–465, P.L. 104–188, excluding section 1311 of P.L. 104–188, ~~and P.L. 105–34, P.L.~~  
4 105–206 and P.L. 105–277, “net income” means the federal regulated investment  
5 company taxable income, federal real estate mortgage investment conduit taxable  
6 income or federal real estate investment trust taxable income of the corporation,  
7 conduit or trust as determined under the ~~internal revenue code~~ Internal Revenue  
8 Code as amended to December 31, 1992, excluding sections 103, 104 and 110 of P.L.  
9 102–227, and as amended by P.L. 103–66, excluding sections 13101 (a) and (c) 1,  
10 13113, 13150, 13171, 13174 and 13203 of P.L. 103–66, P.L. 103–465, P.L. 104–188,  
11 excluding section 1311 of P.L. 104–188, ~~and P.L. 105–34, P.L. 105–206 and P.L.~~  
12 105–277, and as indirectly affected in the provisions applicable to this subchapter  
13 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,  
14 P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104 and 110 of P.L.  
15 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13101 (a) and  
16 (c) 1., 13113, 13150, 13171, 13174 and 13203 of P.L. 103–66, P.L. 103–465, P.L.  
17 104–188, excluding section 1311 of P.L. 104–188, ~~and P.L. 105–34, P.L. 105–206 and~~  
18 P.L. 105–277, except that property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats.,  
19 is required to be depreciated for taxable years 1983 to 1986 under the ~~internal~~  
20 ~~revenue code~~ Internal Revenue Code as amended to December 31, 1980, shall  
21 continue to be depreciated under the ~~internal revenue code~~ Internal Revenue Code  
22 as amended to December 31, 1980, and except that the appropriate amount shall be  
23 added or subtracted to reflect differences between the depreciation or adjusted basis  
24 for federal income tax purposes and the depreciation or adjusted basis under this  
25 chapter of any property disposed of during the taxable year. The ~~internal revenue~~

1 ~~code~~ Internal Revenue Code as amended to December 31, 1992, excluding sections  
2 103, 104 and 110 of P.L. 102-227, and as amended by P.L. 103-66, excluding sections  
3 13101 (a) and (c) 1, 13113, 13150, 13171, 13174 and 13203 of P.L. 103-66, P.L.  
4 103-465, P.L. 104-188, excluding section 1311 of P.L. 104-188, and P.L. 105-34, P.L.  
5 105-206 and P.L. 105-277, and as indirectly affected in the provisions applicable to  
6 this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.  
7 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections  
8 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding  
9 sections 13101 (a) and (c) 1, 13113, 13150, 13171, 13174 and 13203 of P.L. 103-66,  
10 P.L. 103-465, P.L. 104-188, excluding section 1311 of P.L. 104-188, and P.L. 105-34,  
11 P.L. 105-206 and P.L. 105-277, applies for Wisconsin purposes at the same time as  
12 for federal purposes. Amendments to the ~~internal revenue code~~ Internal Revenue  
13 Code enacted after December 31, 1992, do not apply to this subdivision with respect  
14 to taxable years that begin after December 31, 1992, and before January 1, 1994,  
15 except that changes to the ~~internal revenue code~~ Internal Revenue Code made by P.L.  
16 103-66, P.L. 103-465, P.L. 104-188, excluding section 1311 of P.L. 104-188, and P.L.  
17 105-34, P.L. 105-206 and P.L. 105-277 and changes that indirectly affect the  
18 provisions applicable to this subchapter made by P.L. 103-66, P.L. 103-465, P.L.  
19 104-188, excluding section 1311 of P.L. 104-188, and P.L. 105-34, P.L. 105-206 and  
20 P.L. 105-277, apply for Wisconsin purposes at the same time as for federal purposes.

21 **\*b0649/1.3\* SECTION 1740h.** 71.26 (2)(b) 9. of the statutes is amended to read:  
22 71.26 (2) (b) 9. For taxable years that begin after December 31, 1993, and  
23 before January 1, 1995, for a corporation, conduit or common law trust which  
24 qualifies as a regulated investment company, real estate mortgage investment  
25 conduit or real estate investment trust under the ~~internal revenue code~~ Internal

1 Revenue Code as amended to December 31, 1993, excluding sections 103, 104 and  
2 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, 13203 (d) and  
3 13215 of P.L. 103-66, and as amended by P.L. 103-296, P.L. 103-337, P.L. 103-465,  
4 P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188, excluding section 1311  
5 of P.L. 104-188, P.L. 104-191, P.L. 104-193 and, P.L. 105-34, P.L. 105-206 and P.L.  
6 105-277, and as indirectly affected in the provisions applicable to this subchapter  
7 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,  
8 P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and 110 of P.L.  
9 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150  
10 (d), 13171 (d), 13174, 13203 (d) and 13215 of P.L. 103-66, P.L. 103-296, P.L. 103-337,  
11 P.L. 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188, excluding  
12 section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193 and, P.L. 105-34, P.L.  
13 105-206 and P.L. 105-277, “net income” means the federal regulated investment  
14 company taxable income, federal real estate mortgage investment conduit taxable  
15 income or federal real estate investment trust taxable income of the corporation,  
16 conduit or trust as determined under the ~~internal revenue code~~ Internal Revenue  
17 Code as amended to December 31, 1993, excluding sections 103, 104 and 110 of P.L.  
18 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, 13203 (d) and 13215 of P.L.  
19 103-66, and as amended by P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7,  
20 excluding section 1 of P.L. 104-7, P.L. 104-188, excluding section 1311 of P.L.  
21 104-188, P.L. 104-191, P.L. 104-193 and, P.L. 105-34, P.L. 105-206 and P.L.  
22 105-277, and as indirectly affected in the provisions applicable to this subchapter  
23 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,  
24 P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and 110 of P.L.  
25 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150

1 (d), 13171 (d), 13174, 13203 (d) and 13215 of P.L. 103–66, P.L. 103–296, P.L. 103–337,  
2 P.L. 103–465, P.L. 104–7, excluding section 1 of P.L. 104–7, P.L. 104–188, excluding  
3 section 1311 of P.L. 104–188, P.L. 104–191, P.L. 104–193, ~~and~~ P.L. 105–34, P.L.  
4 105–206 and P.L. 105–277, except that property that, under s. 71.02 (1) (c) 8. to 11.,  
5 1985 stats., is required to be depreciated for taxable years 1983 to 1986 under the  
6 ~~internal revenue code~~ Internal Revenue Code as amended to December 31, 1980,  
7 shall continue to be depreciated under the ~~internal revenue code~~ Internal Revenue  
8 Code as amended to December 31, 1980, and except that the appropriate amount  
9 shall be added or subtracted to reflect differences between the depreciation or  
10 adjusted basis for federal income tax purposes and the depreciation or adjusted basis  
11 under this chapter of any property disposed of during the taxable year. The ~~internal~~  
12 ~~revenue code~~ Internal Revenue Code as amended to December 31, 1993, excluding  
13 sections 103, 104 and 110 of P.L. 102–227 and sections 13113, 13150 (d), 13171 (d),  
14 13174, 13203 (d) and 13215 of P.L. 103–66, and as amended by P.L. 103–296, P.L.  
15 103–337, P.L. 103–465, P.L. 104–7, excluding section 1 of P.L. 104–7, P.L. 104–188,  
16 excluding section 1311 of P.L. 104–188, P.L. 104–191, P.L. 104–193 ~~and~~, P.L. 105–34,  
17 P.L. 105–206 and P.L. 105–277, and as indirectly affected in the provisions applicable  
18 to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L.  
19 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections  
20 103, 104 and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding  
21 sections 13113, 13150 (d), 13171 (d), 13174, 13203 (d) and 13215 of P.L. 103–66, P.L.  
22 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, excluding section 1 of P.L. 104–7,  
23 P.L. 104–188, excluding section 1311 of P.L. 104–188, P.L. 104–191, P.L. 104–193 ~~and~~,  
24 P.L. 105–34, P.L. 105–206 and P.L. 105–277, applies for Wisconsin purposes at the  
25 same time as for federal purposes. Amendments to the ~~internal revenue code~~

1 Internal Revenue Code enacted after December 31, 1993, do not apply to this  
2 subdivision with respect to taxable years that begin after December 31, 1993, and  
3 before January 1, 1995, except that changes to the ~~internal revenue code~~ Internal  
4 Revenue Code made by P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7,  
5 excluding section 1 of P.L. 104–7, P.L. 104–188, excluding section 1311 of P.L.  
6 104–188, P.L. 104–191, P.L. 104–193 and, P.L. 105–34, P.L. 105–206 and P.L.  
7 105–277 and changes that indirectly affect the provisions applicable to this  
8 subchapter made by P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, excluding  
9 section 1 of P.L. 104–7, P.L. 104–188, excluding section 1311 of P.L. 104–188, P.L.  
10 104–191, P.L. 104–193 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277, apply for  
11 Wisconsin purposes at the same time as for federal purposes.

12 **\*b0649/1.3\* SECTION 1740i.** 71.26 (2) (b) 10. of the statutes is amended to read:  
13 71.26 (2) (b) 10. For taxable years that begin after December 31, 1994, and  
14 before January 1, 1996, for a corporation, conduit or common law trust which  
15 qualifies as a regulated investment company, real estate mortgage investment  
16 conduit or real estate investment trust under the ~~internal revenue code~~ Internal  
17 Revenue Code as amended to December 31, 1994, excluding sections 103, 104 and  
18 110 of P.L. 102–227 and sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of  
19 P.L. 103–66, and as amended by P.L. 104–7, P.L. 104–188, excluding sections 1202,  
20 1204, 1311 and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193 and, P.L. 105–34,  
21 P.L. 105–206 and P.L. 105–277, and as indirectly affected in the provisions applicable  
22 to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L.  
23 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections  
24 103, 104 and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding  
25 sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66, P.L.

1 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections  
2 1202, 1204, 1311 and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193 and, P.L.  
3 105–34, P.L. 105–206 and P.L. 105–277, “net income” means the federal regulated  
4 investment company taxable income, federal real estate mortgage investment  
5 conduit taxable income or federal real estate investment trust taxable income of the  
6 corporation, conduit or trust as determined under the ~~internal revenue code~~ Internal  
7 Revenue Code as amended to December 31, 1994, excluding sections 103, 104 and  
8 110 of P.L. 102–227 and sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of  
9 P.L. 103–66, and as amended by P.L. 104–7, P.L. 104–188, excluding sections 1202,  
10 1204, 1311 and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193 and, P.L. 105–34,  
11 P.L. 105–206 and P.L. 105–277, and as indirectly affected in the provisions applicable  
12 to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L.  
13 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections  
14 103, 104 and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding  
15 sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66, P.L.  
16 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections  
17 1202, 1204, 1311 and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, and P.L.  
18 105–34, P.L. 105–206 and P.L. 105–277, except that property that, under s. 71.02 (1)  
19 (c) 8. to 11., 1985 stats., is required to be depreciated for taxable years 1983 to 1986  
20 under the ~~internal revenue code~~ Internal Revenue Code as amended to  
21 December 31, 1980, shall continue to be depreciated under the ~~internal revenue code~~  
22 Internal Revenue Code as amended to December 31, 1980, and except that the  
23 appropriate amount shall be added or subtracted to reflect differences between the  
24 depreciation or adjusted basis for federal income tax purposes and the depreciation  
25 or adjusted basis under this chapter of any property disposed of during the taxable

1 year. The ~~internal revenue code~~ Internal Revenue Code as amended to  
2 December 31, 1994, excluding sections 103, 104 and 110 of P.L. 102–227 and sections  
3 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66, and as amended by  
4 P.L. 104–7, P.L. 104–188, excluding sections 1202, 1204, 1311 and 1605 of P.L.  
5 104–188, P.L. 104–191, P.L. 104–193 ~~and~~, P.L. 105–34, P.L. 105–206 and P.L.  
6 105–277, and as indirectly affected in the provisions applicable to this subchapter  
7 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,  
8 P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104 and 110 of P.L.  
9 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150  
10 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L.  
11 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1202, 1204, 1311 and 1605 of  
12 P.L. 104–188, P.L. 104–191, P.L. 104–193 ~~and~~, P.L. 105–34, P.L. 105–206 and P.L.  
13 105–277, applies for Wisconsin purposes at the same time as for federal purposes.  
14 Amendments to the ~~internal revenue code~~ Internal Revenue Code enacted after  
15 December 31, 1994, do not apply to this subdivision with respect to taxable years  
16 that begin after December 31, 1994, and before January 1, 1996, except that  
17 changes made by P.L. 104–7, P.L. 104–188, excluding sections 1202, 1204, 1311 and  
18 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193 ~~and~~, P.L. 105–34, P.L. 105–206 and  
19 P.L. 105–277 and changes that indirectly affect the provisions applicable to this  
20 subchapter made by P.L. 104–7, P.L. 104–188, excluding sections 1202, 1204, 1311  
21 and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193 ~~and~~, P.L. 105–34, P.L. 105–206  
22 and P.L. 105–277 apply for Wisconsin purposes at the same time as for federal  
23 purposes.

24 **\*b0649/1.3\* SECTION 1740j.** 71.26 (2) (b) 11. of the statutes is amended to read:

1           71.26 (2) (b) 11. For taxable years that begin after December 31, 1995, and  
2 before January 1, 1997, for a corporation, conduit or common law trust which  
3 qualifies as a regulated investment company, real estate mortgage investment  
4 conduit or real estate investment trust under the ~~internal revenue code~~ Internal  
5 Revenue Code as amended to December 31, 1995, excluding sections 103, 104 and  
6 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of  
7 P.L. 103-66, and as amended by P.L. 104-188, excluding sections 1123, 1202, 1204,  
8 1311 and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33 and, P.L.  
9 105-34, P.L. 105-206 and P.L. 105-277, and as indirectly affected in the provisions  
10 applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L.  
11 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,  
12 excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.  
13 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L.  
14 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,  
15 excluding sections 1123, 1202, 1204, 1311 and 1605 of P.L. 104-188, P.L. 104-191,  
16 P.L. 104-193, P.L. 105-33 and, P.L. 105-34, P.L. 105-206 and P.L. 105-277, “net  
17 income” means the federal regulated investment company taxable income, federal  
18 real estate mortgage investment conduit taxable income or federal real estate  
19 investment trust taxable income of the corporation, conduit or trust as determined  
20 under the ~~internal revenue code~~ Internal Revenue Code as amended to  
21 December 31, 1995, excluding sections 103, 104 and 110 of P.L. 102-227 and sections  
22 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, and as amended by  
23 P.L. 104-188, excluding sections 1123, 1202, 1204, 1311 and 1605 of P.L. 104-188,  
24 P.L. 104-191, P.L. 104-193, P.L. 105-33 and, P.L. 105-34, P.L. 105-206 and P.L.  
25 105-277, and as indirectly affected in the provisions applicable to this subchapter

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, 1202, 1204, 1311 and  
6 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33 and P.L. 105–34, P.L.  
7 105–206 and P.L. 105–277, except that property that, under s. 71.02 (1) (c) 8. to 11.,  
8 1985 stats., is required to be depreciated for taxable years 1983 to 1986 under the  
9 ~~internal revenue code~~ Internal Revenue Code as amended to December 31, 1980,  
10 shall continue to be depreciated under the ~~internal revenue code~~ Internal Revenue  
11 Code as amended to December 31, 1980, and except that the appropriate amount  
12 shall be added or subtracted to reflect differences between the depreciation or  
13 adjusted basis for federal income tax purposes and the depreciation or adjusted basis  
14 under this chapter of any property disposed of during the taxable year. The ~~internal~~  
15 ~~revenue code~~ Internal Revenue Code as amended to December 31, 1995, excluding  
16 sections 103, 104 and 110 of P.L. 102–227 and sections 13113, 13150 (d), 13171 (d),  
17 13174 and 13203 (d) of P.L. 103–66, and as amended by P.L. 104–188, excluding  
18 sections 1123, 1202, 1204, 1311 and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193,  
19 P.L. 105–33 and P.L. 105–34, P.L. 105–206 and P.L. 105–277, and as indirectly  
20 affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203,  
21 P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508,  
22 P.L. 102–227, excluding sections 103, 104 and 110 of P.L. 102–227, P.L. 102–318, P.L.  
23 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and  
24 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L.  
25 104–188, excluding sections 1123, 1202, 1204, 1311 and 1605 of P.L. 104–188, P.L.

1 104–191, P.L. 104–193, P.L. 105–33 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277,  
2 applies for Wisconsin purposes at the same time as for federal purposes.  
3 Amendments to the ~~internal revenue code~~ Internal Revenue Code enacted after  
4 December 31, 1995, do not apply to this subdivision with respect to taxable years  
5 that begin after December 31, 1995, and before January 1, 1997, except that  
6 changes to the Internal Revenue Code made by P.L. 104–188, excluding sections  
7 1123, 1202, 1204, 1311 and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.  
8 105–33 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277 and changes that indirectly  
9 affect the provisions applicable to this subchapter made by P.L. 104–188, excluding  
10 sections 1123, 1202, 1204, 1311 and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193,  
11 P.L. 105–33 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277, apply for Wisconsin  
12 purposes at the same time as for federal purposes.

13 **\*b0649/1.3\* SECTION 1740k.** 71.26 (2) (b) 12. of the statutes is amended to  
14 read:

15 71.26 (2) (b) 12. For taxable years that begin after December 31, 1996, and  
16 before January 1, 1998, for a corporation, conduit or common law trust which  
17 qualifies as a regulated investment company, real estate mortgage investment  
18 conduit, real estate investment trust or financial asset securitization investment  
19 trust under the Internal Revenue Code as amended to December 31, 1996, excluding  
20 sections 103, 104 and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174  
21 and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605  
22 (d) of P.L. 104–188, and as amended by P.L. 105–33 and, P.L. 105–34, P.L. 105–206  
23 and P.L. 105–277, and as indirectly affected in the provisions applicable to this  
24 subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140,  
25 P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104

1 and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections  
2 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L.  
3 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202  
4 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.  
5 105–33 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277, “net income” means the  
6 federal regulated investment company taxable income, federal real estate mortgage  
7 investment conduit taxable income, federal real estate investment trust or financial  
8 asset securitization investment trust taxable income of the corporation, conduit or  
9 trust as determined under the ~~internal revenue code~~ Internal Revenue Code as  
10 amended to December 31, 1996, excluding sections 103, 104 and 110 of P.L. 102–227,  
11 sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66 and sections  
12 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104–188 and as amended by P.L.  
13 105–33 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277, and as indirectly affected  
14 in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L.  
15 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L.  
16 102–227, excluding sections 103, 104 and 110 of P.L. 102–227, P.L. 102–318, P.L.  
17 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and  
18 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L.  
19 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L.  
20 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33 and, P.L. 105–34, P.L. 105–206 and  
21 P.L. 105–277, except that property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats.,  
22 is required to be depreciated for taxable years 1983 to 1986 under the ~~internal~~  
23 ~~revenue code~~ Internal Revenue Code as amended to December 31, 1980, shall  
24 continue to be depreciated under the Internal Revenue Code as amended to  
25 December 31, 1980, and except that the appropriate amount shall be added or

1 subtracted to reflect differences between the depreciation or adjusted basis for  
2 federal income tax purposes and the depreciation or adjusted basis under this  
3 chapter of any property disposed of during the taxable year. The Internal Revenue  
4 Code as amended to December 31, 1996, excluding sections 103, 104 and 110 of P.L.  
5 102–227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66,  
6 and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104–188, and as  
7 amended by P.L. 105–33 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277, and as  
8 indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L.  
9 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L.  
10 101–508, P.L. 102–227, excluding sections 103, 104 and 110 of P.L. 102–227, P.L.  
11 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),  
12 13174 and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.  
13 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d)  
14 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33 and, P.L. 105–34, P.L.  
15 105–206 and P.L. 105–277, applies for Wisconsin purposes at the same time as for  
16 federal purposes. Amendments to the ~~internal revenue code~~ Internal Revenue Code  
17 enacted after December 31, 1996, do not apply to this subdivision with respect to  
18 taxable years that begin after December 31, 1996, and before January 1, 1998,  
19 except that changes to the Internal Revenue Code made by P.L. 105–33 and, P.L.  
20 105–34, P.L. 105–206 and P.L. 105–277 and changes that indirectly affect the  
21 provisions applicable to this subchapter made by P.L. 105–33 and, P.L. 105–34, P.L.  
22 105–206 and P.L. 105–277 apply for Wisconsin purposes at the same time as for  
23 federal purposes.

24 **\*b0649/1.3\* SECTION 1740L.** 71.26 (2) (b) 13. of the statutes is amended to  
25 read:

1           71.26 (2) (b) 13. For taxable years that begin after December 31, 1997, and  
2 before January 1, 1999, for a corporation, conduit or common law trust which  
3 qualifies as a regulated investment company, real estate mortgage investment  
4 conduit, real estate investment trust or financial asset securitization investment  
5 trust under the Internal Revenue Code as amended to December 31, 1997, excluding  
6 sections 103, 104 and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174  
7 and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605  
8 (d) of P.L. 104–188, and as amended by P.L. 105–178, P.L. 105–206 and P.L. 105–277,  
9 and as indirectly affected in the provisions applicable to this subchapter by P.L.  
10 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L.  
11 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104 and 110 of P.L.  
12 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150  
13 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L.  
14 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f),  
15 1311 and 1605 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33 and, P.L.  
16 105–34, P.L. 105–178, P.L. 105–206 and P.L. 105–277, “net income” means the  
17 federal regulated investment company taxable income, federal real estate mortgage  
18 investment conduit taxable income, federal real estate investment trust or financial  
19 asset securitization investment trust taxable income of the corporation, conduit or  
20 trust as determined under the Internal Revenue Code as amended to December 31,  
21 1997, excluding sections 103, 104 and 110 of P.L. 102–227, sections 13113, 13150 (d),  
22 13171 (d), 13174 and 13203 (d) of P.L. 103–66 and sections 1123 (b), 1202 (c), 1204  
23 (f), 1311 and 1605 (d) of P.L. 104–188, and as amended by P.L. 105–178, P.L. 105–206  
24 and P.L. 105–277, and as indirectly affected in the provisions applicable to this  
25 subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140,

1 P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104  
2 and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections  
3 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L.  
4 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202  
5 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104–188, P.L. 104–191 , P.L. 104–193, P.L.  
6 105–33 and, P.L. 105–34, P.L. 105–178, P.L. 105–206 and P.L. 105–277, except that  
7 property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated  
8 for taxable years 1983 to 1986 under the Internal Revenue Code as amended to  
9 December 31, 1980, shall continue to be depreciated under the Internal Revenue  
10 Code as amended to December 31, 1980, and except that the appropriate amount  
11 shall be added or subtracted to reflect differences between the depreciation or  
12 adjusted basis for federal income tax purposes and the depreciation or adjusted basis  
13 under this chapter of any property disposed of during the taxable year. The Internal  
14 Revenue Code as amended to December 31, 1997, excluding sections 103, 104 and  
15 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L.  
16 103–66, and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104–188,  
17 and as amended by P.L. 105–178, P.L. 105–206 and P.L. 105–277, and as indirectly  
18 affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203,  
19 P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508,  
20 P.L. 102–227, excluding sections 103, 104 and 110 of P.L. 102–227, P.L. 102–318, P.L.  
21 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and  
22 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L.  
23 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L.  
24 104–188, P.L. 104–191 , P.L. 104–193, P.L. 105–33 and, P.L. 105–34, P.L. 105–178,  
25 P.L. 105–206 and P.L. 105–277, applies for Wisconsin purposes at the same time as

1 for federal purposes. Amendments to the Internal Revenue Code enacted after  
2 December 31, 1997, do not apply to this subdivision with respect to taxable years that  
3 begin after December 31, 1997, and before January 1, 1999, except that changes to  
4 the Internal Revenue Code made by P.L. 105–178, P.L. 105–206 and P.L. 105–277 and  
5 changes that indirectly affect the provisions applicable to this subchapter made by  
6 P.L. 105–178, P.L. 105–206 and P.L. 105–277 apply for Wisconsin purposes at the  
7 same time as for federal purposes.

8 \*b0649/1.3\* SECTION 1740m. 71.26 (2) (b) 14. of the statutes is created to read:  
9 71.26 (2) (b) 14. For taxable years that begin after December 31, 1998, for a  
10 corporation, conduit or common law trust which qualifies as a regulated investment  
11 company, real estate mortgage investment conduit, real estate investment trust or  
12 financial asset securitization investment trust under the Internal Revenue Code as  
13 amended to December 31, 1998, excluding sections 103, 104 and 110 of P.L. 102–227,  
14 sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66 and sections  
15 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104–188, and as indirectly  
16 affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203,  
17 P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508,  
18 P.L. 102–227, excluding sections 103, 104 and 110 of P.L. 102–227, P.L. 102–318, P.L.  
19 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and  
20 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L.  
21 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L.  
22 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L.  
23 105–206 and P.L. 105–277, “net income” means the federal regulated investment  
24 company taxable income, federal real estate mortgage investment conduit taxable  
25 income, federal real estate investment trust or financial asset securitization

1 investment trust taxable income of the corporation, conduit or trust as determined  
2 under the Internal Revenue Code as amended to December 31, 1998, excluding  
3 sections 103, 104 and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174  
4 and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605  
5 (d) of P.L. 104-188, and as indirectly affected in the provisions applicable to this  
6 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,  
7 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104  
8 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections  
9 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.  
10 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202  
11 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, P.L. 104-191 , P.L. 104-193, P.L.  
12 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206 and P.L. 105-277, except that  
13 property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated  
14 for taxable years 1983 to 1986 under the Internal Revenue Code as amended to  
15 December 31, 1980, shall continue to be depreciated under the Internal Revenue  
16 Code as amended to December 31, 1980, and except that the appropriate amount  
17 shall be added or subtracted to reflect differences between the depreciation or  
18 adjusted basis for federal income tax purposes and the depreciation or adjusted basis  
19 under this chapter of any property disposed of during the taxable year. The Internal  
20 Revenue Code as amended to December 31, 1998, excluding sections 103, 104 and  
21 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L.  
22 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188,  
23 and as indirectly affected in the provisions applicable to this subchapter by P.L.  
24 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L.  
25 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and 110 of P.L.

1 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150  
2 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L.  
3 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f),  
4 1311 and 1605 (d) of P.L. 104–188, P.L. 104–191 , P.L. 104–193, P.L. 105–33, P.L.  
5 105–34, P.L. 105–178, P.L. 105–206 and P.L. 105–277, applies for Wisconsin purposes  
6 at the same time as for federal purposes. Amendments to the Internal Revenue Code  
7 enacted after December 31, 1998, do not apply to this subdivision with respect to  
8 taxable years that begin after December 31, 1998.

9 **\*b0569/1.7\* SECTION 1741t.** 71.28 (1dj) (am) 1. of the statutes is amended to  
10 read:

11 71.28 (1dj) (am) 1. Modify “member of a targeted group”, as defined in section  
12 51 (d) of the internal revenue code as amended to December 31, 1995, to include  
13 persons unemployed as a result of a business action subject to s. 109.07 (1m) and  
14 ~~persons specified under 29 USC 1651 (a)~~ dislocated workers, as defined in 29 USC  
15 2801 (9), and to require a member of a targeted group to be a resident of this state.

16 **\*b0569/1.7\* SECTION 1741v.** 71.28 (1dj) (am) 2. of the statutes is amended to  
17 read:

18 71.28 (1dj) (am) 2. Modify “designated local agency”, as defined in section 51  
19 (d) (15) of the internal revenue code, to include the ~~job training partnership act~~  
20 ~~organization~~ local workforce development board established under 29 USC 2832 for  
21 the area that includes the development zone in which the employe in respect to whom  
22 the credit under this subsection is claimed works, if the department of commerce  
23 approves the criteria used for certification, and the department of commerce.

24 **\*b0649/1.4\* SECTION 1741m.** 71.26 (3) (y) of the statutes is amended to read:

1           71.26 (3) (y) A corporation may compute amortization and depreciation under  
2 either the federal ~~internal revenue code~~ Internal Revenue Code as amended to  
3 December 31, ~~1997~~ 1998, or the federal ~~internal revenue code~~ Internal Revenue Code  
4 in effect for the taxable year for which the return is filed, except that property first  
5 placed in service by the taxpayer on or after January 1, 1983, but before  
6 January 1, 1987, that, under s. 71.04 (15) (b) and (br), 1985 stats., is required to be  
7 depreciated under the ~~internal revenue code~~ Internal Revenue Code as amended to  
8 December 31, 1980, and property first placed in service in taxable year 1981 or  
9 thereafter but before January 1, 1987, that, under s. 71.04 (15) (bm), 1985 stats., is  
10 required to be depreciated under the ~~internal revenue code~~ Internal Revenue Code  
11 as amended to December 31, 1980, shall continue to be depreciated under the  
12 ~~internal revenue code~~ Internal Revenue Code as amended to December 31, 1980.