

Section
H
cont.

1 ✓ *b0676/1.1* **570**. Page 854, line 3: after that line insert:

2 ✓ *b0676/1.1* "SECTION 1708g. 71.07 (2dx) (b) (intro.) of the statutes is amended
3 to read:

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

8 ✓ *b0438/2.3* **571**. Page 854, line 10: after that line insert:

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

10 71.07 (2dy) SUSTAINABLE URBAN DEVELOPMENT ZONE CREDIT. (a) *Definitions*. In
11 this subsection:

12 1. "Brownfield" has the meaning given in sub. (2dx) (a) 1.

13 2. "Environmental remediation" means removal or containment of
14 environmental pollution, as defined in s. 299.01 (4), and restoration of soil or
15 groundwater that is affected by environmental pollution, as defined in s. 299.01 (4),
16 in a brownfield and investigation unless the investigation determines that
17 remediation is required but remediation is not undertaken.

18 (b) *Credit*. For any taxable year for which the person is certified under s. 292.77
19 (5), a person may claim as a credit against taxes imposed under this subchapter 50%
20 of the amount expended for environmental remediation under the program under s.
21 292.77.

22 (c) *Administration*. Subsection (2dx) (c), (d) and (e), as it applies to the credit
23 under sub. (2dx), applies to the credit under this subsection."

24 ✓ *b0336/2.4* **572**. Page 854, line 11: delete lines 11 to 14.

1 ✓ ***b0678/5.10* 573.** Page 854, line 14: after that line insert:

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

4 ✓ 71.07 (3m) (a) 1. b. For partnerships except publicly traded partnerships
5 treated as corporations under s. 71.22 ~~(1)~~ (1g), or limited liability companies, except
6 limited liability companies treated as corporations under s. 71.22 ~~(1)~~ (1g), "claimant"
7 means each individual partner or member."

8 ✓ ***b0667/1.2* 574.** Page 854, line 18: after "Code" insert ", except that the
9 general prohibition in this subdivision does not apply to dues paid to a professional
10 society or a labor union".

11 ✓ ***b0545/3.15* 575.** Page 855, line 15: delete the material beginning with that
12 line and ending with page 856, line 2.

13 ✓ ***b0438/2.4* 576.** Page 856, line 2: after that line insert:

14 ✓ ***b0438/2.4* "SECTION 1719g.** 71.08 (1) (intro.) of the statutes is amended to
15 read:

16 71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married
17 couple filing jointly, trust or estate under s. 71.02, not considering the credits under
18 ss. 71.07 (1), (2dd), (2de), (2di), (2dj), (2dL), (2dr), (2ds), (2dx), (2dy), (2fd), (3m), (3s),
19 (6) and (9e), 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1dy), (1fd), (2m) and
20 (3) and 71.47 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1dy), (1fd), (2m) and (3) and
21 subchs. VIII and IX and payments to other states under s. 71.07 (7), is less than the
22 tax under this section, there is imposed on that natural person, married couple filing
23 jointly, trust or estate, instead of the tax under s. 71.02, an alternative minimum tax
24 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
3 (2dy).”.

4 ✓ ***b0535/P1.5* 577.** Page 856, line 2: after that line insert:

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

7 71.07 (9e) (f) Except as provided in s. 71.80 (3) and (3m), if the allowable
8 amount of the claim under this subsection exceeds the taxes otherwise due under this
9 chapter or no taxes are due under this chapter, the amount of the claim not used to
10 offset taxes due shall be certified by the department of revenue to the department
11 of administration for payment by check, share draft or other draft drawn from the
12 appropriation under s. 20.835 (2) (f) or (kf).”.

13 ✓ ***b0678/5.11* 578.** Page 856, line 2: after that line insert:

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

15 71.07 (10) CREDITS NOT ALLOWED. The credits under s. 71.28 (4) and (5) may not
16 be claimed by partners, including partners of a publicly traded partnership treated
17 as a corporation under s. 71.22 (4) (1g), members of a limited liability company,
18 including members of a limited liability company treated as a corporation under s.
19 77.22 (4) (1g), or shareholders of a tax-option corporation.”.

20 ✓ ***b0336/2.5* 579.** Page 856, line 3: delete lines 3 to 9.

21 ✓ ***b0383/2.1* 581.** Page 856, line 9: after that line insert:

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

23 71.10 (5) (am) *Gray wolf as endangered or threatened species.* For purposes of
24 the part of the endangered resources program that provides for wildlife damage

1 control and the payments of claims for damage associated with endangered or
2 threatened species, the gray wolf shall be considered an endangered or threatened
3 species regardless of whether it is listed as endangered or threatened under s. 29.604
4 (3).”.

5 ✓ *b0669/1.2* **582.** Page 856, line 19: after that line insert:

6 ✓ *b0669/1.2* “SECTION 1721et. 71.14 (3) (intro.) of the statutes is amended to
7 read:

8 ✓ 71.14 (3) (intro.) Except as provided in sub. (2) and s. 71.04 (1) (b) 2., ~~trusts~~
9 ~~created by contract, declaration of trust or implication of law shall be considered~~
10 ~~resident at the place where the trust is being administered. The following trusts~~
11 ~~shall be considered to be administered in the state of domicile of the corporate trustee~~
12 ~~of the trust at any time that the grantor of the trust is not a resident of this state and~~
13 ~~subject to sub. (3m), only the following trusts, or portions of trusts, shall be~~
14 ~~considered resident of this state:~~

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

16 ✓ 71.14 (3) (a) ~~Trusts that have any assets invested in a common trust fund, as~~
17 ~~defined in section 584 of the internal revenue code, maintained by a bank or trust~~
18 ~~company domiciled in this state that is a member of the same affiliated group, as~~
19 ~~defined in section 1504 of the internal revenue code, as the corporate trustee the~~
20 ~~assets of which consist of property placed in the trust by a person who is a resident~~
21 ~~of this state at the time the property was placed in the trust if, at the time the assets~~
22 ~~were placed in the trust, the trust was irrevocable.~~

23 ✓ *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 ✗ *b0438/2.5* 583. Page 856, line 24: after that line insert:

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

16 71.21 (4) Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),
17 (2dj), (2dL), (2ds), (2dx), (2dy) and (3s) and passed through to partners shall be added
18 to the partnership’s income.”.

19 ✗ *b0649/1.2* 584. Page 856, line 24: after that line insert:

20 ✓ *b0649/1.2* “SECTION 1722d. 71.22 (4) (e) of the statutes is repealed.

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

22 71.22 (4) (f) 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, 1990, and before January 1, 1992, means the federal

1 ~~internal revenue code~~ Internal Revenue Code as amended to December 31, 1990,
2 and as amended by P.L. 102–227, P.L. 102–486, P.L. 103–66, P.L. 104–188, excluding
3 section 1311 of P.L. 104–188, ~~and P.L. 105–34, P.L. 105–206 and P.L. 105–277,~~ and
4 as indirectly affected in the provisions applicable to this subchapter by P.L. 99–514,
5 P.L. 100–203, P.L. 100–647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2),
6 821 (b) (2) and 823 (c) (2) of P.L. 99–514 and section 1008 (g) (5) of P.L. 100–647, P.L.
7 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, P.L.
8 102–486, P.L. 103–66, P.L. 104–188, excluding section 1311 of P.L. 104–188, ~~and P.L.~~
9 ~~105–34, P.L. 105–206 and P.L. 105–277.~~ The ~~internal revenue code~~ Internal Revenue
10 Code applies for Wisconsin purposes at the same time as for federal purposes.
11 Amendments to the federal ~~internal revenue code~~ Internal Revenue Code enacted
12 after December 31, 1990, do not apply to this paragraph with respect to taxable years
13 beginning after December 31, 1990, and before January 1, 1992, except that
14 changes to the ~~internal revenue code~~ Internal Revenue Code made by P.L. 102–227,
15 P.L. 102–486, P.L. 103–66, P.L. 104–188, excluding section 1311 of P.L. 104–188, ~~and~~
16 ~~P.L. 105–34, P.L. 105–206 and P.L. 105–277~~ and changes that indirectly affect the
17 provisions applicable to this subchapter made by P.L. 102–227, P.L. 102–486, P.L.
18 103–66, P.L. 104–188, excluding section 1311 of P.L. 104–188, ~~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 ~~U~~ ***b0649/1.2* SECTION 1722f.** 71.22 (4) (g) of the statutes is amended to read:
22 71.22 (4) (g) 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, 1991, and before January 1, 1993, means the federal
25 ~~internal revenue code~~ Internal Revenue Code as amended to December 31, 1991,

1 excluding sections 103, 104 and 110 of P.L. 102–227, and as amended by P.L.
2 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13101 (a) and (c) 1, 13171 and
3 13174 of P.L. 103–66, P.L. 104–188, excluding section 1311 of P.L. 104–188, and P.L.
4 105–34, P.L. 105–206 and P.L. 105–277, and as indirectly affected in the provisions
5 applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647 excluding
6 sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2) and 823 (c) (2) of P.L. 99–514
7 and section 1008 (g) (5) of P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L.
8 101–239, 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 13101 (a) and
10 (c) 1, 13171 and 13174 of P.L. 103–66, P.L. 104–188, excluding section 1311 of P.L.
11 104–188, and P.L. 105–34, P.L. 105–206 and P.L. 105–277. The ~~internal revenue code~~
12 Internal Revenue Code applies for Wisconsin purposes at the same time as for federal
13 purposes. Amendments to the federal ~~internal revenue code~~ Internal Revenue Code
14 enacted after December 31, 1991, do not apply to this paragraph with respect to
15 taxable years beginning after December 31, 1991, and before January 1, 1993,
16 except that changes to the ~~internal revenue code~~ Internal Revenue Code made by P.L.
17 102–318, P.L. 102–486, P.L. 103–66, P.L. 104–188, excluding section 1311 of P.L.
18 104–188, and P.L. 105–34, P.L. 105–206 and P.L. 105–277 and changes that
19 indirectly affect the provisions applicable to this subchapter made by P.L. 102–318,
20 P.L. 102–486, P.L. 103–66, P.L. 104–188, excluding section 1311 of P.L. 104–188, and
21 P.L. 105–34, 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 1722g.** 71.22 (4) (h) of the statutes is amended to read:
24 71.22 (4) (h) 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~~ Internal Revenue Code”, for taxable years

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

25 ✓ ***b0649/1.2* SECTION 1722h.** 71.22 (4) (i) of the statutes is amended to read:

1 71.22 (4) (i) 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, 1993, and before January 1, 1995, means the federal
4 ~~internal revenue code~~ Internal Revenue Code as amended to December 31, 1993,
5 excluding sections 103, 104 and 110 of P.L. 102–227 and sections 13113, 13150 (d),
6 13171 (d), 13174, 13203 (d) and 13215 of P.L. 103–66, and as amended by P.L.
7 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, excluding section 1 of P.L. 104–7,
8 P.L. 104–188, excluding section 1311 of P.L. 104–188, P.L. 104–191, P.L. 104–193 and,
9 P.L. 105–34, P.L. 105–206 and P.L. 105–277, and as indirectly affected in the
10 provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647
11 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2) and 823 (c) (2) of
12 P.L. 99–514 and section 1008 (g) (5) of P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L.
13 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104 and
14 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections
15 13113, 13150 (d), 13171 (d), 13174, 13203 (d) and 13215 of P.L. 103–66, P.L. 103–296,
16 P.L. 103–337, P.L. 103–465, P.L. 104–7, excluding section 1 of P.L. 104–7, P.L.
17 104–188, excluding section 1311 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. The ~~internal revenue code~~ Internal Revenue
19 Code applies for Wisconsin purposes at the same time as for federal purposes.
20 Amendments to the federal ~~internal revenue code~~ Internal Revenue Code enacted
21 after December 31, 1993, do not apply to this paragraph with respect to taxable years
22 beginning after December 31, 1993, and before January 1, 1995, except that
23 changes to the ~~internal revenue code~~ Internal Revenue Code made by P.L. 103–296,
24 P.L. 103–337, P.L. 103–465, P.L. 104–7, excluding section 1 of P.L. 104–7, P.L.
25 104–188, excluding section 1311 of P.L. 104–188, P.L. 104–191, P.L. 104–193 and, P.L.

1 105-34, P.L. 105-206 and P.L. 105-277 and changes that indirectly affect the
2 provisions applicable to this subchapter made by P.L. 103-296, P.L. 103-337, P.L.
3 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188, excluding
4 section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193 and, P.L. 105-34, P.L.
5 105-206 and P.L. 105-277, apply for Wisconsin purposes at the same time as for
6 federal purposes.

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

8 71.22 (4) (j) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34
9 (1g) and 71.42 (2), "~~internal revenue code~~ Internal Revenue Code", for taxable years
10 that begin after December 31, 1994, and before January 1, 1996, means the federal
11 ~~internal revenue code~~ Internal Revenue Code as amended to December 31, 1994,
12 excluding sections 103, 104 and 110 of P.L. 102-227 and sections 13113, 13150 (d),
13 13171 (d), 13174 and 13203 (d) of P.L. 103-66, and as amended by P.L. 104-7, P.L.
14 104-188, excluding sections 1202, 1204, 1311 and 1605 of P.L. 104-188, P.L.
15 104-191, P.L. 104-193 and, P.L. 105-34, P.L. 105-206 and P.L. 105-277, and as
16 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.
17 100-203, P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821
18 (b) (2) and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L.
19 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,
20 excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.
21 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L.
22 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,
23 excluding sections 1202, 1204, 1311 and 1605 of P.L. 104-188, P.L. 104-191, P.L.
24 104-193 and, P.L. 105-34, P.L. 105-206 and P.L. 105-277. The ~~internal revenue code~~
25 Internal Revenue Code applies for Wisconsin purposes at the same time as for federal

1 purposes. Amendments to the federal ~~internal revenue code~~ Internal Revenue Code
2 enacted after December 31, 1994, do not apply to this paragraph with respect to
3 taxable years beginning after December 31, 1994, and before January 1, 1996,
4 except that changes to the ~~internal revenue code~~ Internal Revenue Code made by P.L.
5 104–7, P.L. 104–188, excluding sections 1202, 1204, 1311 and 1605 of P.L. 104–188,
6 P.L. 104–191, P.L. 104–193 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277 and
7 changes that indirectly affect the provisions applicable to this subchapter made by
8 P.L. 104–7, P.L. 104–188, excluding sections 1202, 1204, 1311 and 1605 of P.L.
9 104–188, P.L. 104–191, P.L. 104–193 and, P.L. 105–34, P.L. 105–206 and P.L.
10 105–277, apply for Wisconsin purposes at the same time as for federal purposes.

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

12 71.22 (4) (k) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34
13 (1g) and 71.42 (2), “~~internal revenue code~~ Internal Revenue Code”, for taxable years
14 that begin after December 31, 1995, and before January 1, 1997, means the federal
15 ~~internal revenue code~~ Internal Revenue Code as amended to December 31, 1995,
16 excluding sections 103, 104 and 110 of P.L. 102–227 and sections 13113, 13150 (d),
17 13171 (d), 13174 and 13203 (d) of P.L. 103–66, and as amended by P.L. 104–188,
18 excluding sections 1123, 1202, 1204, 1311 and 1605 of P.L. 104–188, P.L. 104–191,
19 P.L. 104–193, P.L. 105–33 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277, and as
20 indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L.
21 100–203, P.L. 100–647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821
22 (b) (2) and 823 (c) (2) of P.L. 99–514 and section 1008 (g) (5) of P.L. 100–647, P.L.
23 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227,
24 excluding sections 103, 104 and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L.
25 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L.

1 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,
2 excluding sections 1123, 1202, 1204, 1311 and 1605 of P.L. 104-188, P.L. 104-191,
3 P.L. 104-193, P.L. 105-33 and, P.L. 105-34, P.L. 105-206 and P.L. 105-277. The
4 ~~internal revenue code~~ Internal Revenue Code applies for Wisconsin purposes at the
5 same time as for federal purposes. Amendments to the federal ~~internal revenue code~~
6 Internal Revenue Code enacted after December 31, 1995, do not apply to this
7 paragraph with respect to taxable years beginning after December 31, 1995, and
8 before January 1, 1997, except that changes to the Internal Revenue Code made by
9 P.L. 104-188, excluding sections 1123, 1202, 1204, 1311 and 1605 of P.L. 104-188,
10 P.L. 104-191, P.L. 104-193, P.L. 105-33 and, P.L. 105-34, P.L. 105-206 and P.L.
11 105-277 and changes that indirectly affect the provisions applicable to this
12 subchapter made by P.L. 104-188, excluding sections 1123, 1202, 1204, 1311 and
13 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.
14 105-206 and P.L. 105-277, apply for Wisconsin purposes at the same time as for
15 federal purposes.

16 ✓ ***b0649/1.2* SECTION 1722k.** 71.22 (4) (L) of the statutes is amended to read:
17 71.22 (4) (L) 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, 1996, and before January 1, 1998, means the federal
20 ~~internal revenue code~~ Internal Revenue Code as amended to December 31, 1996,
21 excluding sections 103, 104 and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171
22 (d), 13174 and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311
23 and 1605 (d) of P.L. 104-188, and as amended by P.L. 105-33 and, P.L. 105-34, P.L.
24 105-206 and P.L. 105-277, and as indirectly affected in the provisions applicable to
25 this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding sections 803

1 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2) and 823 (c) (2) of P.L. 99–514 and section
2 1008 (g) (5) of P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239,
3 P.L. 101–508, P.L. 102–227, excluding sections 103, 104 and 110 of P.L. 102–227, P.L.
4 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),
5 13174 and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.
6 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d)
7 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33 and, P.L. 105–34, P.L.
8 105–206 and P.L. 105–277. The ~~internal revenue code~~ Internal Revenue Code
9 applies for Wisconsin purposes at the same time as for federal purposes.
10 Amendments to the federal ~~internal revenue code~~ Internal Revenue Code enacted
11 after December 31, 1996, do not apply to this paragraph with respect to taxable years
12 beginning after December 31, 1996, and before January 1, 1998, except that
13 changes to the ~~internal revenue code~~ Internal Revenue Code made by P.L. 105–33
14 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277 and changes that indirectly affect
15 the provisions applicable to this subchapter made by P.L. 105–33 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 1722L.** 71.22 (4) (m) of the statutes is amended to read:

19 71.22 (4) (m) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34
20 (1g) and 71.42 (2), “Internal Revenue Code”, for taxable years that begin after
21 December 31, 1997, and before January 1, 1999, means the federal Internal Revenue
22 Code as amended to December 31, 1997, excluding sections 103, 104 and 110 of P.L.
23 102–227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66 and
24 sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104–188, and as
25 amended by P.L. 105–178, P.L. 105–206 and P.L. 105–277, and as indirectly affected

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

18 ***b0649/1.2* SECTION 1722m.** 71.22 (4) (n) of the statutes is created to read:
19 71.22 (4) (n) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34
20 (1g) and 71.42 (2), “Internal Revenue Code”, for taxable years that begin after
21 December 31, 1998, means the federal Internal Revenue Code as amended to
22 December 31, 1998, excluding sections 103, 104 and 110 of P.L. 102-227, sections
23 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66 and sections 1123 (b),
24 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, and as indirectly affected in the
25 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647

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

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

14 ✓ ***b0649/1.2* SECTION 1722p.** 71.22 (4m) (d) of the statutes is amended to read:

15 71.22 (4m) (d) For taxable years that begin after December 31, 1990, and
16 before January 1, 1992, "~~internal revenue code~~ Internal Revenue Code", for
17 corporations that are subject to a tax on unrelated business income under s. 71.26
18 (1) (a), means the federal ~~internal revenue code~~ Internal Revenue Code as amended
19 to December 31, 1990, and as amended by P.L. 102-227, P.L. 102-486, P.L. 103-66,
20 P.L. 104-188, excluding section 1311 of P.L. 104-188, and P.L. 105-34, P.L. 105-206
21 and P.L. 105-277, and as indirectly affected in the provisions applicable to this
22 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,
23 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, P.L. 102-486, P.L. 103-66,
24 P.L. 104-188, excluding section 1311 of P.L. 104-188, and P.L. 105-34, P.L. 105-206
25 and P.L. 105-277. The ~~internal revenue code~~ Internal Revenue Code applies for

1 Wisconsin purposes at the same time as for federal purposes. Amendments to the
2 ~~internal revenue code~~ Internal Revenue Code enacted after December 31, 1990, do
3 not apply to this paragraph with respect to taxable years beginning after
4 December 31, 1990, and before January 1, 1992, except that changes to the ~~internal~~
5 ~~revenue code~~ Internal Revenue Code made by P.L. 102–227, P.L. 102–486, P.L.
6 103–66, P.L. 104–188, excluding section 1311 of P.L. 104–188, and P.L. 105–34, P.L.
7 105–206 and P.L. 105–277, and changes that indirectly affect the provisions
8 applicable to this subchapter made by P.L. 102–227, P.L. 102–486, P.L. 103–66, P.L.
9 104–188, excluding section 1311 of P.L. 104–188, and P.L. 105–34, P.L. 105–206 and
10 P.L. 105–277, apply for Wisconsin purposes at the same time as for federal purposes.

11 ***b0649/1.2* SECTION 1722q.** 71.22 (4m) (e) of the statutes is amended to read:
12 71.22 (4m) (e) For taxable years that begin after December 31, 1991, and
13 before January 1, 1993, “~~internal revenue code~~ Internal Revenue Code”, for
14 corporations that are subject to a tax on unrelated business income under s. 71.26
15 (1) (a), means the federal ~~internal revenue code~~ Internal Revenue Code as amended
16 to December 31, 1991, excluding sections 103, 104 and 110 of P.L. 102–227, and as
17 amended by P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13101 (a)
18 and (c) 1, 13171 and 13174 of P.L. 103–66, P.L. 104–188, excluding section 1311 of P.L.
19 104–188, and P.L. 105–34, P.L. 105–206 and P.L. 105–277, and as indirectly affected
20 in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L.
21 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L.
22 102–227, 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 13101 (a) and (c) 1, 13171 and 13174 of P.L.
24 103–66, P.L. 104–188, excluding section 1311 of P.L. 104–188, and P.L. 105–34, P.L.
25 105–206 and P.L. 105–277. The ~~internal revenue code~~ Internal Revenue Code

1 applies for Wisconsin purposes at the same time as for federal purposes.
2 Amendments to the ~~internal revenue code~~ Internal Revenue Code enacted after
3 December 31, 1991, do not apply to this paragraph with respect to taxable years
4 beginning after December 31, 1991, and before January 1, 1993, except that
5 changes to the ~~internal revenue code~~ Internal Revenue Code made by P.L. 102–318,
6 P.L. 102–486, P.L. 103–66, P.L. 104–188, excluding section 1311 of P.L. 104–188, and
7 P.L. 105–34, P.L. 105–206 and P.L. 105–277 and changes that indirectly affect the
8 provisions applicable to this subchapter made by P.L. 102–318, P.L. 102–486, P.L.
9 103–66, P.L. 104–188, excluding section 1311 of P.L. 104–188, 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 *J**b0649/1.2* **SECTION 1722r.** 71.22 (4m) (f) of the statutes is amended to read:

13 71.22 (4m) (f) For taxable years that begin after December 31, 1992, and before
14 January 1, 1994, “~~internal revenue code~~ Internal Revenue Code”, for corporations
15 that are subject to a tax on unrelated business income under s. 71.26 (1) (a), means
16 the federal ~~internal revenue code~~ Internal Revenue Code as amended to
17 December 31, 1992, excluding sections 103, 104 and 110 of P.L. 102–227, and as
18 amended by P.L. 103–66, excluding sections 13101 (a) and (c) 1, 13113, 13150, 13171,
19 13174 and 13203 of P.L. 103–66, P.L. 103–465, P.L. 104–188, excluding section 1311
20 of P.L. 104–188, and P.L. 105–34, P.L. 105–206 and P.L. 105–277, and as indirectly
21 affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203,
22 P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508,
23 P.L. 102–227, excluding sections 103, 104 and 110 of P.L. 102–227, P.L. 102–318, P.L.
24 102–486, P.L. 103–66, excluding sections 13101 (a) and (c) 1, 13113, 13150, 13171,
25 13174 and 13203 of P.L. 103–66, P.L. 103–465, P.L. 104–188, excluding section 1311

1 of P.L. 104-188, and P.L. 105-34, P.L. 105-206 and P.L. 105-277. The ~~internal~~
2 ~~revenue code~~ Internal Revenue Code applies for Wisconsin purposes at the same
3 time as for federal purposes. Amendments to the ~~internal revenue code~~ Internal
4 Revenue Code enacted after December 31, 1992, do not apply to this paragraph with
5 respect to taxable years beginning after December 31, 1992, and before
6 January 1, 1994, except that changes to the ~~internal revenue code~~ Internal Revenue
7 Code made by P.L. 103-66, P.L. 103-465, P.L. 104-188, excluding section 1311 of P.L.
8 104-188, and P.L. 105-34, P.L. 105-206 and P.L. 105-277 and changes that
9 indirectly affect the provisions applicable to this subchapter made by 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, apply for Wisconsin purposes at the same time as for
12 federal purposes.

13  *b0649/1.2* SECTION 1722s. 71.22 (4m) (g) of the statutes is amended to read:
14 71.22 (4m) (g) For taxable years that begin after December 31, 1993, and
15 before January 1, 1995, "~~internal revenue code~~ Internal Revenue Code", for
16 corporations that are subject to a tax on unrelated business income under s. 71.26
17 (1) (a), means the federal ~~internal revenue code~~ Internal Revenue Code as amended
18 to December 31, 1993, excluding sections 103, 104 and 110 of P.L. 102-227 and
19 sections 13113, 13150 (d), 13171 (d), 13174, 13203 (d) and 13215 of P.L. 103-66, and
20 as amended by P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, excluding
21 section 1 of P.L. 104-7, P.L. 104-188, excluding section 1311 of P.L. 104-188, P.L.
22 104-191, P.L. 104-193 and, P.L. 105-34, P.L. 105-206 and P.L. 105-277, and as
23 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.
24 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L.
25 101-508, 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 13113, 13150 (d), 13171 (d),
2 13174, 13203 (d) and 13215 of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465,
3 P.L. 104–7, excluding section 1 of P.L. 104–7, P.L. 104–188, excluding section 1311
4 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.
5 105–277. The ~~internal revenue code~~ Internal Revenue Code applies for Wisconsin
6 purposes at the same time as for federal purposes. Amendments to the ~~internal~~
7 ~~revenue code~~ Internal Revenue Code enacted after December 31, 1993, do not apply
8 to this paragraph with respect to taxable years beginning after December 31, 1993,
9 and before January 1, 1995, except that changes to the ~~internal revenue code~~
10 Internal Revenue Code made by P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.
11 104–7, excluding section 1 of P.L. 104–7, P.L. 104–188, excluding section 1311 of P.L.
12 104–188, P.L. 104–191, P.L. 104–193 and, P.L. 105–34, P.L. 105–206 and P.L.
13 105–277 and changes that indirectly affect the provisions applicable to this
14 subchapter made by P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, excluding
15 section 1 of P.L. 104–7, P.L. 104–188, excluding section 1311 of P.L. 104–188, P.L.
16 104–191, P.L. 104–193 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277, apply for
17 Wisconsin purposes at the same time as for federal purposes.

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

19 71.22 (4m) (h) For taxable years that begin after December 31, 1994, and
20 before January 1, 1996, “~~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, 1994, excluding sections 103, 104 and 110 of P.L. 102–227 and
24 sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66, and as
25 amended by P.L. 104–7, P.L. 104–188, excluding sections 1202, 1204, 1311 and 1605

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

21  ***b0649/1.2* SECTION 1722u.** 71.22 (4m) (i) of the statutes is amended to read:
22 71.22 (4m) (i) For taxable years that begin after December 31, 1995, and before
23 January 1, 1997, “~~internal revenue code~~ Internal Revenue Code”, for corporations
24 that are subject to a tax on unrelated business income under s. 71.26 (1) (a), means
25 the federal ~~internal revenue code~~ Internal Revenue Code as amended to

1 December 31, 1995, excluding sections 103, 104 and 110 of P.L. 102-227 and sections
2 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, and as amended by
3 P.L. 104-188, excluding sections 1123, 1202, 1204, 1311 and 1605 of P.L. 104-188,
4 P.L. 104-191, P.L. 104-193, P.L. 105-33 and, P.L. 105-34, P.L. 105-206 and P.L.
5 105-277, and as indirectly affected in the provisions applicable to this subchapter
6 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,
7 P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104 and 110 of P.L.
8 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
9 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
10 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123, 1202, 1204, 1311 and
11 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.
12 105-206 and P.L. 105-277. The ~~internal revenue code~~ Internal Revenue Code
13 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, 1995, do not apply to this paragraph with respect to taxable years
16 beginning after December 31, 1995, and before January 1, 1997, except that
17 changes to the Internal Revenue Code made by P.L. 104-188, excluding sections
18 1123, 1202, 1204, 1311 and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
19 105-33 and, P.L. 105-34, P.L. 105-206 and P.L. 105-277 and changes that indirectly
20 affect the provisions applicable to this subchapter made by P.L. 104-188, excluding
21 sections 1123, 1202, 1204, 1311 and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193,
22 P.L. 105-33 and, P.L. 105-34, P.L. 105-206 and P.L. 105-277, apply for Wisconsin
23 purposes at the same time as for federal purposes.

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

1 71.22 (4m) (j) For taxable years that begin after December 31, 1996, and before
2 January 1, 1998, “Internal Revenue Code”, for corporations that are subject to a tax
3 on unrelated business income under s. 71.26 (1) (a), means the federal Internal
4 Revenue Code as amended to December 31, 1996, excluding sections 103, 104 and
5 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L.
6 103–66, and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104–188
7 and as amended by P.L. 105–33 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277, and
8 as indirectly affected in the provisions applicable to this subchapter by P.L. 99–514,
9 P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239,
10 P.L. 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. 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, 1996, do not apply to this paragraph with
18 respect to taxable years beginning after December 31, 1996, and before
19 January 1, 1998, except that changes to the Internal Revenue Code made by P.L.
20 105–33 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277 and changes that indirectly
21 affect provisions applicable to this subchapter made by P.L. 105–33 and, P.L. 105–34,
22 P.L. 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 1722w.** 71.22 (4m) (k) of the statutes is amended to read:

1 71.22 (4m) (k) For taxable years that begin after December 31, 1997, and
2 before January 1, 1999, “Internal Revenue Code”, for corporations that are subject
3 to a tax on unrelated business income under s. 71.26 (1) (a), means the federal
4 Internal Revenue Code as amended to December 31, 1997, excluding sections 103,
5 104 and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203
6 (d) of P.L. 103–66, and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L.
7 104–188, and as amended by P.L. 105–178, 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.
15 105–178, P.L. 105–206 and P.L. 105–277. The Internal Revenue Code applies for
16 Wisconsin purposes at the same time as for federal purposes. Amendments to the
17 Internal Revenue Code enacted after December 31, 1997, do not apply to this
18 paragraph with respect to taxable years beginning after December 31, 1997, and
19 before January 1, 1999, except that changes to the Internal Revenue Code made by
20 P.L. 105–178, 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. 105–178, P.L. 105–206 and P.L.
22 105–277 apply for Wisconsin purposes at the same time as for federal purposes.

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

24 71.22 (4m) (L) For taxable years that begin after December 31, 1998, “Internal
25 Revenue Code”, for corporations that are subject to a tax on unrelated business

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

16 X *b0677/3.1* **585**. Page 856, line 24: after that line insert:

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

18 71.22 (1r) “Doing business” includes owning a direct or indirect interest in a
19 general or limited partnership or limited liability company that transacts in this
20 state for pecuniary gain.

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

22 71.23 (1) INCOME TAX. For the purpose of raising revenue for the state and the
23 counties, cities, villages and towns, there shall be assessed, levied, collected and paid
24 a tax as provided under this chapter on all Wisconsin net incomes of corporations

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

8 *J* *b0678/5.12* **586.** Page 856, line 24: after that line insert:

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

16 *V* *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 *V* *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, franchiscs, 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 ***b0660/1.1* 580.** Page 856, line 25: delete the material beginning with that
7 line and ending with page 857, line 5.

8 ***b0650/1.1* 587.** Page 857, line 6: delete the material beginning with that
9 line and ending with page 858, line 6.

10 ***b0678/5.13* 589.** Page 858, line 7: after “is” insert “renumbered 71.25 (6)
11 (intro) and”.

12 ***b0678/5.14* 590.** Page 858, line 8: after “FORMULA.” insert “(intro).”

13 ***b0678/5.15* 588.** Page 858, line 22: delete the material beginning with “or
14 the” and ending with “(9).” on page 859, line 4, and substitute “~~or the residence of the~~
15 ~~recipient. The. Except as provide in subs. (9d) and (9g), the remaining net income~~
16 shall be apportioned to ~~Wisconsin~~ this state by use of an ~~apportionment fraction~~
17 ~~composed of a sales factor under sub. (9) representing 50% of the fraction, a property~~
18 ~~factor under sub. (7) representing 25% of the fraction and a payroll factor under sub.~~
19 ~~(8) representing 25% of the fraction. the following:”.~~

20 ***b0678/5.16* 591.** Page 859, line 4: after that line insert:

21 ***b0678/5.16*** “SECTION 1729b. 71.25 (6) (a) of the statutes is created to read:
22 71.25 (6) (a) For taxable years beginning after December 31, 2000, and before
23 January 1, 2002, an apportionment fraction composed of a sales factor under sub. (9)

↑
PGH
mgd
↓

1 representing 63% of the fraction, a property factor under sub. (7) representing 18.5%
2 of the fraction and a payroll factor under sub. (8) representing 18.5% of the fraction.

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

4 71.25 (6) (b) For taxable years beginning after December 31, 2001, and before
5 January 1, 2003, an apportionment fraction composed of a sales factor under sub. (9)
6 representing 85% of the fraction, a property factor under sub. (7) representing 7.5%
7 of the fraction and a payroll factor under sub. (8) representing 7.5% of the fraction.

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

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

11 ***b0678/5.17* 592.** Page 859, line 7: on lines 7 and 10, delete “2000” and
12 substitute “2003”.

13 ***b0678/5.18* 593.** Page 860, line 7: delete the material beginning with that
14 line and ending with page 862, line 7, and substitute:

15 “1. The use of a motor vehicle or rolling stock in this state is determined by
16 multiplying the gross receipts from the lease or rental of the motor vehicle or rolling
17 stock by a fraction having as a numerator the number of miles traveled within this
18 state by the motor vehicle or rolling stock while leased or rented in the taxable year
19 and having as a denominator the total number of miles traveled by the motor vehicle
20 or rolling stock while leased or rented in the taxable year.

21 2. The use of an aircraft in this state is determined by multiplying the gross
22 receipts from the lease or rental of the aircraft by a fraction having as a numerator
23 the number of landings of the aircraft in this state while leased or rented in the

1 taxable year and having as a denominator the total number of landings of the aircraft
2 while leased or rented in the taxable year.

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

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

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

14 71.25 (9) (dn) For taxable years beginning after December 31, 1999, gross
15 royalties and gross income received for the use of intangible property are attributed
16 to this state if any of the following applies:

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

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

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

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

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

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

6 71.25 (9) (dr) 1. For taxable years beginning after December 31, 1999, receipts
7 from a service are attributed to the state where the purchaser of the service received
8 the benefit of the service. The benefit of a service is received in this state if any of
9 the following applies:

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

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

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

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

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

16 2. If the purchaser of a service receives the benefit of a service in more than one
17 state, the receipts from the performance of the service are included in the numerator
18 of the sales factor under par. (a) according to the portion of the service received in this
19 state. If the state where a purchaser received the benefit of a service cannot be
20 determined, the benefit of a service is received in the state where the purchaser, in
21 the regular course of the purchaser's business, ordered the service. If the state where
22 a purchaser ordered a service cannot be determined, the benefit of the service is
23 received in the state where the purchaser, in the regular course of the purchaser's
24 business, receives a bill for the service.

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

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

6 71.25 (9) (ds) 1. For taxable years beginning after December 31, 1999, the gate
7 receipts from professional sporting events are attributed to the state in which the
8 taxpayer's sports facility is located. Gate receipts include the taxpayer's in-state
9 gate receipts and the taxpayer's share of out-of-state gate receipts.

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

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

17 71.25 (9) (dt) 1. For taxable years beginning after December 31, 1999, the gross
18 receipts from radio and television broadcasting, including advertising revenue, are
19 attributed to this state in proportion to the audience in this state as compared to the
20 total audience.

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

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

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

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

15 3. The department may require that a person who is subject to apportionment
16 under this subsection use an alternative apportionment method to accurately reflect
17 income that is attributable to this state.”.

18 ***b0677/3.2* 595.** Page 862, line 9: after that line insert:

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

20 71.25 (15) PARTNERSHIPS AND LIMITED LIABILITY COMPANIES. (a) A general or
21 limited partner's share of the numerator and denominator of a partnership's
22 apportionment fractions under this section are included in the numerator and
23 denominator of the general or limited partner's apportionment fractions under this
24 section.

1 (b) If a limited liability company is considered by the department of revenue
2 to be a partnership, for tax purposes, a member's share of the numerator and
3 denominator of a limited liability company's apportionment fractions under this
4 section are included in the numerator and denominator of the member's
5 apportionment fractions under this section."

6 *b0678/5.19* **596.** Page 862, line 9: after that line insert:

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

8 71.25 (9d) FINANCIAL ORGANIZATIONS. (a) *Definitions*. In this subsection:

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

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

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

15 4. "Financial organization" means a bank; a savings bank; a bank holding
16 company; a savings and loan association; a trust company; a credit union, except a
17 credit union that is exempt from taxes under s. 71.26 (1) (a); a production credit
18 association; or an agency or branch of a foreign depository; whether chartered under
19 the laws of this state, another state or territory, the laws of the United States or the
20 laws of a foreign county. "Financial organization" includes a corporation that derives
21 at least 50% of its total gross income from finance leases, including direct finance
22 leases and leverage leases as defined by rule, and a corporation that derives at least
23 50% of its total gross income from an activity that a financial organization performs,
24 except that "financial organization" does not include an insurance company that is

1 taxable under s. 71.43 or a real estate broker, securities dealer or broker–dealer that
2 is taxable under s. 71.26.

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

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

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

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

20 (b) *Apportionment*. For taxable years beginning after December 31, 1999, a
21 financial organization that does business in this state and outside this state shall
22 apportion its net business income as provided in this subsection. A taxpayer that is
23 subject to this subsection shall apportion its nonbusiness income under sub. (5) (b)
24 and shall deduct the net business income that follows the situs of its property from
25 its total net business income. The taxpayer’s remaining net business income shall

1 be apportioned to this state by multiplying the remaining net business income by an
2 apportionment fraction that has as a numerator the gross receipts of the taxpayer
3 in this state during the taxable year and that has a denominator the taxpayer's total
4 gross receipts during the taxable year. The following sources of a taxpayer's business
5 income are subject to apportionment:

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

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

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

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

1 5. 'Sale of loans.' The numerator of the apportionment fraction includes income
2 from the sale of loans and income under section 1286 of the Internal Revenue Code.

3 The income that is included in the numerator is determined as follows:

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

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

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

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

21 8. 'Credit card reimbursement fees.' The numerator of the apportionment
22 fraction includes credit card reimbursement fees, multiplied by a fraction that has
23 as a numerator the amount included in the numerator under subd. 6. and that has
24 as a denominator the total amount of interest, fees and penalties that are charged
25 to credit card holders.

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

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

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

20 11. ‘Gross income from investment banking services.’ The numerator of the
21 apportionment fraction includes gross income, including commissions, management
22 fees or underwriting fees, earned from investment banking services if the purchaser
23 of the services is located in this state.

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

1 13. 'Other sales.' Sales under sub. (9) that are not apportioned under this
2 subsection shall be apportioned under sub. (9).

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

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

8 71.25 (9g) **BROKERS AND UNDERWRITERS.** (a) *Definitions.* In this subsection:

9 1. "Billing address" has the meaning given in sub. (9d) (a) 1.

10 2. "Brokerage commission" includes sales fees on agency or principal
11 transactions.

12 3. "Broker-dealer" means a person who does business as a broker of securities
13 or commodities. "Broker-dealer" does not include a sales agent; a bank, savings
14 institution or trust company that enters a securities or commodities transaction as
15 an agent; a executor, guardian or conservator who enters a securities or commodities
16 transaction as an agent for another; or a person who purchases or sells the person's
17 own securities or commodities.

18 4. "Taxpayer" means a broker or an underwriter who is subject to
19 apportionment under this subsection.

20 5. "Underwriter" means a person who guarantees to provide a definite sum of
21 money by a definite date to a corporate or government entity in exchange for
22 securities; who markets a corporate or government security offering to the public; or
23 who buys a security offering for a specified price and sells the security offering to the
24 public.

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

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

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

20 3. 'Other services.' The numerator of the apportionment fraction includes gross
21 income, including commissions or management fees, earned from providing
22 investment research, management services or financial services to a customer, if the
23 customer's billing address is in this state.

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

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

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

7 71.25 (10) (title) RAILROADS, ~~FINANCIAL ORGANIZATIONS~~ TELECOMMUNICATIONS
8 COMPANIES AND PUBLIC UTILITIES.

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

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

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

17 71.25 (10) (c) The net business income of railroads, sleeping car companies, car
18 line companies, financial organizations, telecommunications companies and public
19 utilities requiring apportionment shall be apportioned pursuant to rules of the
20 department of revenue, but the income taxed is limited to the income derived from
21 business transacted and property located within the state. For taxable years
22 beginning after December 31, 1999, the net business income of financial
23 organizations shall be apportioned under sub. (9d).

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

1 71.25 (11) DEPARTMENT MAY WAIVE FACTOR. Where, in the case of any corporation
2 engaged in business within and without the state of Wisconsin and required to
3 apportion its income as provided in sub. (6), it shall be shown to the satisfaction of
4 the department of revenue that the use of any one of the 3 factors provided in sub.
5 (6) gives an unreasonable or inequitable final average ratio because of the fact that
6 such corporation does not employ, to any appreciable extent in its trade or business
7 in producing the income taxed, the factors made use of in obtaining such ratio, this
8 factor may, with the approval of the department of revenue, be omitted in obtaining
9 the final average ratio which is to be applied to the remaining net income. This
10 subsection does not apply to taxable years beginning after December 31, 2002.”

11 ***b0650/1.2* 594.** ^X Page 862, line 10: delete the material beginning with that
12 line and ending with page 876, line 8.

13 ***b0438/2.6* 598.** ^X Page 876, line 13: after that line insert:

14 ***b0438/2.6* “SECTION 1740d.** 71.26 (2) (a) of the statutes is amended to read:
15 71.26 (2) (a) *Corporations in general.* The “net income” of a corporation means
16 the gross income as computed under the internal revenue code as modified under
17 sub. (3) minus the amount of recapture under s. 71.28 (1di) plus the amount of credit
18 computed under s. 71.28 (1) and (3) to (5) plus the amount of the credit computed
19 under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds) ~~and~~, (1dx) and (1dy) and not
20 passed through by a partnership, limited liability company or tax-option corporation
21 that has added that amount to the partnership’s, limited liability company’s or
22 tax-option corporation’s income under s. 71.21 (4) or 71.34 (1) (g) plus the amount
23 of losses from the sale or other disposition of assets the gain from which would be
24 wholly exempt income, as defined in sub. (3) (L), if the assets were sold or otherwise

1 disposed of at a gain and minus deductions, as computed under the internal revenue
2 code as modified under sub. (3), plus or minus, as appropriate, an amount equal to
3 the difference between the federal basis and Wisconsin basis of any asset sold,
4 exchanged, abandoned or otherwise disposed of in a taxable transaction during the
5 taxable year, except as provided in par. (b) and s. 71.45 (2) and (5).”.

6 *b0649/1.3* ~~599~~[✓]. Page 876, line 13: after that line insert:

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

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

9 71.26 (2) (b) 6. For taxable years that begin after December 31, 1990, and
10 before January 1, 1992, 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, 1990, and as amended by P.L. 102-227,
14 P.L. 102-486, P.L. 103-66, P.L. 104-188, excluding section 1311 of P.L. 104-188, and,
15 P.L. 105-34, P.L. 105-206 and P.L. 105-277, and as indirectly affected in the
16 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,
17 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, 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, “net income” means the federal
20 regulated investment company taxable income, federal real estate mortgage
21 investment conduit taxable income or federal real estate investment trust taxable
22 income of the corporation, conduit or trust as determined under the ~~internal revenue~~
23 ~~code~~ Internal Revenue Code as amended to December 31, 1990, and as amended by
24 P.L. 102-227, P.L. 102-486, P.L. 103-66, P.L. 104-188, excluding section 1311 of P.L.

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

1 P.L. 105-34, P.L. 105-206 and P.L. 105-277 and changes that indirectly affect the
2 provisions applicable to this subchapter made by P.L. 102-227, P.L. 102-486, P.L.
3 103-66, 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, apply for Wisconsin purposes at the same time as for
5 federal purposes.

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

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

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

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

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

13 71.26 (2) (b) 8. For taxable years that begin after December 31, 1992, and
14 before January 1, 1994, 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, 1992, excluding sections 103, 104 and
18 110 of P.L. 102-227, and as amended by P.L. 103-66, excluding sections 13101 (a) and
19 (c) 1., 13113, 13150, 13171, 13174 and 13203 of P.L. 103-66, P.L. 103-465, P.L.
20 104-188, excluding section 1311 of P.L. 104-188, ~~and P.L. 105-34, P.L. 105-206 and~~
21 ~~P.L. 105-277,~~ and as indirectly affected in the provisions applicable to this
22 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,
23 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104
24 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections
25 13101 (a) and (c) 1, 13113, 13150, 13171, 13174 and 13203 of P.L. 103-66, P.L.

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

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

19 ***b0649/1.3* SECTION 1740h.** 71.26 (2) (b) 9. of the statutes is amended to read:

20 71.26 (2) (b) 9. For taxable years that begin after December 31, 1993, and
21 before January 1, 1995, for a corporation, conduit or common law trust which
22 qualifies as a regulated investment company, real estate mortgage investment
23 conduit or real estate investment trust under the ~~internal revenue code~~ Internal
24 Revenue Code as amended to December 31, 1993, excluding sections 103, 104 and
25 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, 13203 (d) and

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

1 section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193, and P.L. 105-34, P.L.
2 105-206 and P.L. 105-277, except that property that, under s. 71.02 (1) (c) 8. to 11.,
3 1985 stats., is required to be depreciated for taxable years 1983 to 1986 under the
4 ~~internal revenue code~~ Internal Revenue Code as amended to December 31, 1980,
5 shall continue to be depreciated under the ~~internal revenue code~~ Internal Revenue
6 Code as amended to December 31, 1980, and except that the appropriate amount
7 shall be added or subtracted to reflect differences between the depreciation or
8 adjusted basis for federal income tax purposes and the depreciation or adjusted basis
9 under this chapter of any property disposed of during the taxable year. The ~~internal~~
10 ~~revenue code~~ Internal Revenue Code as amended to December 31, 1993, excluding
11 sections 103, 104 and 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d),
12 13174, 13203 (d) and 13215 of P.L. 103-66, and as amended by P.L. 103-296, P.L.
13 103-337, P.L. 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188,
14 excluding section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193 and, P.L. 105-34,
15 P.L. 105-206 and P.L. 105-277, and as indirectly affected in the provisions applicable
16 to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.
17 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections
18 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding
19 sections 13113, 13150 (d), 13171 (d), 13174, 13203 (d) and 13215 of P.L. 103-66, P.L.
20 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7,
21 P.L. 104-188, excluding section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193 and,
22 P.L. 105-34, P.L. 105-206 and P.L. 105-277, applies for Wisconsin purposes at the
23 same time as for federal purposes. Amendments to the ~~internal revenue code~~
24 Internal Revenue Code enacted after December 31, 1993, do not apply to this
25 subdivision with respect to taxable years that begin after December 31, 1993, and

1 before January 1, 1995, except that changes to the ~~internal revenue code~~ Internal
2 Revenue Code made by P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7,
3 excluding section 1 of P.L. 104–7, P.L. 104–188, excluding section 1311 of P.L.
4 104–188, P.L. 104–191, P.L. 104–193 ~~and~~, P.L. 105–34, P.L. 105–206 and P.L.
5 105–277 and changes that indirectly affect the provisions applicable to this
6 subchapter made by P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, excluding
7 section 1 of P.L. 104–7, P.L. 104–188, excluding section 1311 of P.L. 104–188, P.L.
8 104–191, P.L. 104–193 ~~and~~, P.L. 105–34, P.L. 105–206 and P.L. 105–277, apply for
9 Wisconsin purposes at the same time as for federal purposes.

10 ***b0649/1.3* SECTION 1740i.** 71.26 (2) (b) 10. of the statutes is amended to read:
11 71.26 (2) (b) 10. For taxable years that begin after December 31, 1994, and
12 before January 1, 1996, for a corporation, conduit or common law trust which
13 qualifies as a regulated investment company, real estate mortgage investment
14 conduit or real estate investment trust under the ~~internal revenue code~~ Internal
15 Revenue Code as amended to December 31, 1994, excluding sections 103, 104 and
16 110 of P.L. 102–227 and sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of
17 P.L. 103–66, and as amended by P.L. 104–7, P.L. 104–188, excluding sections 1202,
18 1204, 1311 and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193 ~~and~~, P.L. 105–34,
19 P.L. 105–206 and P.L. 105–277, and as indirectly affected in the provisions applicable
20 to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L.
21 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections
22 103, 104 and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding
23 sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66, P.L.
24 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections
25 1202, 1204, 1311 and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193 ~~and~~, P.L.

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

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

22 *b0649/1.3* SECTION 1740j. 71.26 (2) (b) 11. of the statutes is amended to read:
23 71.26 (2) (b) 11. For taxable years that begin after December 31, 1995, and
24 before January 1, 1997, for a corporation, conduit or common law trust which
25 qualifies as a regulated investment company, real estate mortgage investment

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

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

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

12 71.26 (2) (b) 12. For taxable years that begin after December 31, 1996, and
13 before January 1, 1998, for a corporation, conduit or common law trust which
14 qualifies as a regulated investment company, real estate mortgage investment
15 conduit, real estate investment trust or financial asset securitization investment
16 trust under the Internal Revenue Code as amended to December 31, 1996, excluding
17 sections 103, 104 and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174
18 and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605
19 (d) of P.L. 104-188, and as amended by P.L. 105-33 and, P.L. 105-34, P.L. 105-206
20 and P.L. 105-277, and as indirectly affected in the provisions applicable to this
21 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,
22 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104
23 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections
24 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.
25 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202

1 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
2 105-33 and, P.L. 105-34, P.L. 105-206 and P.L. 105-277, “net income” means the
3 federal regulated investment company taxable income, federal real estate mortgage
4 investment conduit taxable income, federal real estate investment trust or financial
5 asset securitization investment trust taxable income of the corporation, conduit or
6 trust as determined under the ~~internal revenue code~~ Internal Revenue Code as
7 amended to December 31, 1996, excluding sections 103, 104 and 110 of P.L. 102-227,
8 sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103-66 and sections
9 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104-188 and as amended by P.L.
10 105-33 and, P.L. 105-34, P.L. 105-206 and P.L. 105-277, and as indirectly affected
11 in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L.
12 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.
13 102-227, excluding sections 103, 104 and 110 of P.L. 102-227, P.L. 102-318, P.L.
14 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and
15 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.
16 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L.
17 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33 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 as amended to
22 December 31, 1980, and except that the appropriate amount shall be added or
23 subtracted to reflect differences between the depreciation or adjusted basis for
24 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 as amended to December 31, 1996, excluding sections 103, 104 and 110 of P.L.
2 102–227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L. 103–66,
3 and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104–188, and as
4 amended by P.L. 105–33 and, P.L. 105–34, P.L. 105–206 and P.L. 105–277, and as
5 indirectly affected in the provisions applicable to this subchapter by P.L. 99–514, P.L.
6 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L.
7 101–508, P.L. 102–227, excluding sections 103, 104 and 110 of P.L. 102–227, P.L.
8 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),
9 13174 and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.
10 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d)
11 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33 and, P.L. 105–34, P.L.
12 105–206 and P.L. 105–277, applies for Wisconsin purposes at the same time as for
13 federal purposes. Amendments to the ~~internal revenue code~~ Internal Revenue Code
14 enacted after December 31, 1996, do not apply to this subdivision with respect to
15 taxable years that begin after December 31, 1996, and before January 1, 1998,
16 except that changes to the Internal Revenue Code made by P.L. 105–33 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. 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 ***b0649/1.3* SECTION 1740L.** 71.26 (2) (b) 13. of the statutes is amended to
22 read:

23 71.26 (2) (b) 13. For taxable years that begin after December 31, 1997, and
24 before January 1, 1999, for a corporation, conduit or common law trust which
25 qualifies as a regulated investment company, real estate mortgage investment

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

1 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123 (b), 1202
2 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104–188, P.L. 104–191 , P.L. 104–193, P.L.
3 105–33 ~~and~~, P.L. 105–34, P.L. 105–178, P.L. 105–206 and P.L. 105–277, except that
4 property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated
5 for taxable years 1983 to 1986 under the Internal Revenue Code as amended to
6 December 31, 1980, shall continue to be depreciated under the Internal Revenue
7 Code as amended to December 31, 1980, and except that the appropriate amount
8 shall be added or subtracted to reflect differences between the depreciation or
9 adjusted basis for federal income tax purposes and the depreciation or adjusted basis
10 under this chapter of any property disposed of during the taxable year. The Internal
11 Revenue Code as amended to December 31, 1997, excluding sections 103, 104 and
12 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174 and 13203 (d) of P.L.
13 103–66, and sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L. 104–188,
14 and as amended by P.L. 105–178, P.L. 105–206 and P.L. 105–277, and as indirectly
15 affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203,
16 P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508,
17 P.L. 102–227, excluding sections 103, 104 and 110 of P.L. 102–227, P.L. 102–318, P.L.
18 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and
19 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.
20 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L.
21 104–188, P.L. 104–191 , P.L. 104–193, P.L. 105–33 ~~and~~, P.L. 105–34, P.L. 105–178,
22 P.L. 105–206 and P.L. 105–277, applies for Wisconsin purposes at the same time as
23 for federal purposes. Amendments to the Internal Revenue Code enacted after
24 December 31, 1997, do not apply to this subdivision with respect to taxable years that
25 begin after December 31, 1997, and before January 1, 1999, except that changes to

1 the Internal Revenue Code made by P.L. 105–178, P.L. 105–206 and P.L. 105–277 and
2 changes that indirectly affect the provisions applicable to this subchapter made by
3 P.L. 105–178, P.L. 105–206 and P.L. 105–277 apply for Wisconsin purposes at the
4 same time as for federal purposes.

5 ***b0649/1.3* SECTION 1740m.** 71.26 (2) (b) 14. of the statutes is created to read:

6 71.26 (2) (b) 14. For taxable years that begin after December 31, 1998, for a
7 corporation, conduit or common law trust which qualifies as a regulated investment
8 company, real estate mortgage investment conduit, real estate investment trust or
9 financial asset securitization investment trust under the Internal Revenue Code as
10 amended to December 31, 1998, 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 indirectly
13 affected in the provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203,
14 P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508,
15 P.L. 102–227, excluding sections 103, 104 and 110 of P.L. 102–227, P.L. 102–318, P.L.
16 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174 and
17 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.
18 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d) of P.L.
19 104–188, P.L. 104–191 , P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L.
20 105–206 and P.L. 105–277, “net income” means the federal regulated investment
21 company taxable income, federal real estate mortgage investment conduit taxable
22 income, federal real estate investment trust or financial asset securitization
23 investment trust taxable income of the corporation, conduit or trust as determined
24 under the Internal Revenue Code as amended to December 31, 1998, excluding
25 sections 103, 104 and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174

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



~~SECTION 1741~~

~~ended~~

End of Section

H

8 ***b0569/1.7* 600.** Page 877, line 6: after that line insert:

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* 601.** Page 877, line 6: after that line insert:

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

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