

**2001 DRAFTING REQUEST**

**Bill**

Received: 12/08/2000

Received By: gibsom

Wanted: As time permits

Identical to LRB:

For: Rick Skindrud (608) 266-3520

By/Representing: Al

This file may be shown to any legislator: NO

Drafter: gibsom

May Contact:

Alt. Drafters: jkreye

Subject: Nat. Res. - fish and game

Extra Copies:

**Pre Topic:**

No specific pre topic given

**Topic:**

Disposal of unclaimed carcasses of wild animals

**Instructions:**

Same as s0016/1

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	gibsom 01/18/2001 jkreye 01/18/2001	wjackson 01/18/2001		_____			State
/1			martykr 01/19/2001	_____	lrb_docadmin 01/19/2001	lrb_docadmin 01/24/2001	

FE Sent For:

<END>

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Disposal of unclaimed carcasses of wild animals *see 99-877 for analysis*

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/?	gibsom	<i>1 WLj 1/18</i>	<i>Kmk/19</i>	<i>LS Kmk/19</i>			

FE Sent For:

<END>



State of Wisconsin  
2001 - 2002 LEGISLATURE

RM not R  
LRB-1405/R1  
MGG: /.....  
WJ  
+JK

noon

~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~

m 1-18-01

1 AN ACT GEN ...; relating to: carcasses of wild animals left with processors for  
2 processing.

**Analysis by the Legislative Reference Bureau**

Under current law, the department of natural resources (DNR) may give away fish and game carcasses that DNR has seized in enforcing the fish and game laws to food pantries and similar food distribution services. Otherwise, no person may sell or give away meat from wild animals killed by hunters except under very limited circumstances. This bill creates another exception to this general prohibition for persons who receive wild animal carcasses for processing (processors) from customers who then fail to pick up the product after the carcasses are processed. Under this bill, these processors may destroy or donate a carcass to a charitable organization after processing the carcass if the customer fails to respond to a notice sent by the processor that states the customer must claim the carcass within <sup>five</sup> ~~10~~ days following the postmarked date of the notice.

This bill creates an income tax and franchise tax credit for processors that ~~give~~ <sup>give</sup> away (or sell) ~~carcasses~~ that a person does not pick up after processing. Sole proprietorships and corporations may claim the credit. Partnerships, limited liability companies, and tax-option corporations compute the credit but pass it on to the partners, members, and shareholders in proportion to their ownership interests. The credit is an amount equal to the total cost of ~~butchering~~ processing and storing the ~~meat~~ carcass. If the credit claimed by a business exceeds the business' tax liability, the state will not issue a refund check, but the business may carry forward any remaining credit to subsequent taxable years.

Five  
LPS:  
Check  
Spacing

carcass  
carcass

do not destroy or donate  
a carcass

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

1

~~(END)~~



**ASSEMBLY SUBSTITUTE AMENDMENT,  
TO 1999 ASSEMBLY BILL (LRB-1562/1)**

LPS: Please proof  
omended stats. w/  
stats. Thanks.

1 ~~AN ACT to amend 29.347 (2), 71.05 (6) (a) 15., 71.08 (1) (intro.), 71.10 (4) (i), 71.21~~  
2 ~~(4), 71.26 (2) (a), 71.30 (3) (f), 71.34 (1) (g) and 77.92 (4); and to create 29.543,~~  
3 ~~71.07 (5d) and 71.28 (5d) of the statutes; relating to: carcasses of wild animals~~  
4 ~~left with processors for processing.~~

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

5 SECTION 1. 29.347 (2) of the statutes is amended to read:

6 29.347 (2) DEER TAGS. Except as provided under sub. (5) and s. 29.324 (3), any  
7 person who kills a deer shall immediately attach to the ear or antler of the deer a  
8 current validated deer carcass tag which is authorized for use on the type of deer  
9 killed. Except as provided under sub. (2m) or s. <sup>1</sup>29.543 <sup>2</sup>or <sup>3</sup>29.871 (7), (8) or (14), <sup>4</sup>no  
10 person may possess, control, store or transport a deer carcass unless it is tagged as  
11 required under this subsection. <sup>5</sup>The carcass tag may not be removed before

(plain)  
or 29.89(6)

1 registration. The removal of a carcass tag from a deer before registration renders the  
2 deer untagged.

3 SECTION 2. 29.543<sup>✓</sup> of the statutes is created to read:

4 **29.543 Disposal of unclaimed carcasses. (1) DEFINITIONS.** In this section:

5 (a) "Charitable organization" means ~~a nonprofit corporation, charitable trust~~  
6 ~~or other nonprofit association that is described in section 501 (c) (3) of the Internal~~  
7 ~~Revenue Code and that is exempt from taxation under section 501 (a) of the Internal~~  
8 ~~Revenue Code,~~ *has the meaning given in s. 29.89 (1)(a)* ✓

9 (b) "Processor" means a person who is engaged in the business of processing  
10 carcasses of wild animals.

11 (2) AUTHORIZATION. A processor who has <sup>processed</sup> ~~accepted~~ a carcass of a wild animal for  
12 <sup>a customer</sup> ~~processing~~ may destroy the carcass or donate the carcass to a charitable organization  
13 if all of the following apply:

14 (a) The processor has sent the customer a notice to the customer's last-known  
15 mailing address. The notice shall state that the carcass must be claimed and  
16 removed from the premises of the processor within 5 days following the postmarked  
17 date of the notice, or the carcass will be destroyed or donated to a charitable  
18 organization.

19 (b) The customer who left the carcass has failed to remove the carcass from the  
20 premises of the processor within 5 days after being notified under par. (a). ✓

21 (3) TAX CREDIT. A processor who is authorized to destroy or donate a wild animal  
22 carcass under sub. (2) may claim a tax credit under s. 71.07 (5d) ✓ or 71.28 (5d) ✓ in an  
23 amount equal to the total cost of processing and storing the wild animal carcass.

24 (4) TAGGING. A processor may require that a customer leaving a carcass of a  
25 wild animal for processing also leave the appropriate tag, but the requirement that

1 the tag remain with the carcass under ss. 29.237 (4), 29.347 (2) and (2m), 29.867 (6)  
 2 (b) and (c) or under any rule promulgated by the department and 29.871 (8) and (14)  
 3 (b) 3. does not apply to a processor or to a charitable organization to which a processor  
 4 makes a donation under this section.

5 (5) RECORD KEEPING. If a processor sends a notice under sub. (2) (a), the  
 6 processor shall keep a written record of the date on which the notice was postmarked,  
 7 the name of the customer to whom the notice was mailed and the address to which  
 8 the notice was mailed. A processor shall keep a record required under this section  
 9 for one year after the carcass is destroyed or donated.

10 (6) DESTRUCTION OF CARCASSES. A processor who destroys the carcass of a wild  
 11 animal under this section shall comply with all of the applicable denaturing  
 12 requirements promulgated as rules by the department of agriculture, trade and  
 13 consumer protection.

14 (7) INAPPLICABILITY. This section does not apply to farm-raised deer or  
 15 farm-raised fish.

16 SECTION 3. 71.05 (6) (a) 15 of the statutes is amended to read:

17 71.05 (6) (a) 15. The amount of the credits computed under s. 71.07 (2dd), (2de),  
 18 (2di), (2dj), (2dL), (2dr), (2ds), (2dx) and, (3s) and (5d) and not passed through by a  
 19 partnership, limited liability company or tax-option corporation that has added that  
 20 amount to the partnership's, company's or tax-option corporation's income under s.  
 21 71.21 (4) or 71.34 (1) (g).

22 SECTION 4. 71.07 (5d) of the statutes is created to read:

23 71.07 (5d) CARCASS PROCESSING CREDIT. (a) Any person who destroys or donates  
 24 a wild animal carcass under s. 29.543 may claim as a credit against the tax imposed

*processor, as defined in s. 29.543(1)(b)*



1 under s. 71.02 an amount equal to the total cost of processing and storing the wild  
2 animal carcass.

3 (b) The carry-over provisions of s. 71.28 (4) (e) and (f), as they apply to the credit  
4 under s. 71.28 (4), apply to the credit under this subsection.

5 (c) Partnerships, limited liability companies and tax-option corporations may  
6 not claim the credit under this subsection, but the eligibility for, and the amount of,  
7 the credit are based on their payment of the costs of processing and storing a wild  
8 animal carcass. A partnership, limited liability company or tax-option corporation  
9 shall compute the amount of credit that each of its partners, members or  
10 shareholders may claim and shall provide that information to each of them.  
11 Partners, members of limited liability companies and shareholders of tax-option  
12 corporations may claim the credit in proportion to their ownership interest.

13 (d) Section 71.28 (4) (g) and (h), as it applies to the credit under s. 71.28 (4),  
14 applies to the credit under this subsection.

15 **SECTION 5.** 71.08 (1) (intro.) of the statutes is amended to 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), (2fd), (3m), (3s), (5d),  
19 (6) and (9e), 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1fd), (2m) and (3) and  
20 (5d) and 71.47 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx), (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:~~

25 **SECTION 6.** 71.10 (4) (i) of the statutes is amended to read:

1 71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland  
2 preservation credit under subch. IX, homestead credit under subch. VIII, farmland  
3 tax relief credit under s. 71.07 (3m), farmers' drought property tax credit under s.  
4 71.07 (2fd), carcass processing credit under s. 71.07 (5d), earned income tax credit  
5 under s. 71.07 (9e), estimated tax payments under s. 71.09, and taxes withheld under  
6 subch. X.

7 **SECTION 7.** 71.21 (4) of the statutes is amended to read:

8 71.21 (4) Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),  
9 (2dj), (2dL), (2ds), (2dx) and, (3s) and (5d) and passed through to partners shall be  
10 added to the partnership's income.

11 **SECTION 8.** 71.26 (2) (a) of the statutes is amended to read:

12 71.26 (2) (a) *Corporations in general.* The "net income" of a corporation means  
13 the gross income as computed under the internal revenue code as modified under Internal Revenue Code  
14 sub. (3) minus the amount of recapture under s. 71.28 (1di) plus the amount of credit  
15 computed under s. 71.28 (1) and (3) to (5) plus the amount of the credit computed  
16 under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds) and, (1dx) and (5d) and not passed  
17 through by a partnership, limited liability company, or tax-option corporation that  
18 has added that amount to the partnership's, limited liability company's, or tax-option  
19 corporation's income under s. 71.21 (4) or 71.34 (1) (g) plus the amount of losses from  
20 the sale or other disposition of assets the gain from which would be wholly exempt  
21 income, as defined in sub. (3) (L), if the assets were sold or otherwise disposed of at  
22 a gain and minus deductions, as computed under the internal revenue code as modified under sub. (3), plus or minus, as appropriate, an amount equal to the  
23 difference between the federal basis and Wisconsin basis of any asset sold,  
24

1 exchanged, abandoned or otherwise disposed of in a taxable transaction during the  
2 taxable year, except as provided in par. (b) and s. 71.45 (2) and (5).

3 SECTION 9. 71.28 (5d) of the statutes is created to read:

4 71.28 (5d) CARCASS PROCESSING CREDIT. (a) Any person who destroys or donates  
5 a wild animal carcass under s. 29.543 may claim as a credit against the tax imposed  
6 under s. 71.23 an amount equal to the total cost of processing and storing the wild  
7 animal carcass.

8 (b) The carry-over provisions of sub. (4) (e) and (f), as they apply to the credit  
9 under sub. (4), apply to the credit under this subsection.

10 (c) Partnerships, limited liability companies and tax-option corporations may  
11 not claim the credit under this subsection, but the eligibility for, and the amount of,  
12 the credit are based on their payment of the costs of processing and storing a wild  
13 animal carcass. A partnership, limited liability company or tax-option corporation  
14 shall compute the amount of credit that each of its partners, members or  
15 shareholders may claim and shall provide that information to each of them.  
16 Partners, members of limited liability companies and shareholders of tax-option  
17 corporations may claim the credit in proportion to their ownership interest.

18 (d) Subsection (4) (g) and (h), as it applies to the credit under sub. (4), applies  
19 to the credit under this subsection.

20 SECTION 10. 71.30 (3) (f) of the statutes is amended to read:

21 71.30 (3) (f) The total of farmers' drought property tax credit under s. 71.28  
22 (1fd), farmland preservation credit under subch. IX, farmland tax relief credit under  
23 s. 71.28 (2m), carcass processing credit under s. 71.28 (5d) and estimated tax  
24 payments under s. 71.29.

25 SECTION 11. 71.34 (1) (g) of the statutes is amended to read:

Sec #, or 71.30(3)(con)  
71.30(3)(con) Carcass processing credit under s. 71.28(5d)

*process, or defined in s. 29.543(1)(b)*

*(paid)*

1 71.34 (1) (g) An addition shall be made for credits computed by a tax-option  
2 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx) ~~and (3) and (5d)~~  
3 and passed through to shareholders.

4 SECTION 12. 77.92 (4) of the statutes is amended to read:

5 77.92 (4) "Net business income", with respect to a partnership, means taxable  
6 income as calculated under section 703 of the internal revenue code; plus the items  
7 of income and gain under section 702 of the internal revenue code; minus the items  
8 of loss and deduction under section 702 of the internal revenue code; plus payments  
9 treated as not made to partners under section 707 (a) of the internal revenue code;  
10 plus the credits claimed under s. 71.07 (2dd), (2de), (2di), (2dj), (2dL), (2dr), (2ds),  
11 (2dx) ~~and (3s) and (5d)~~; but excluding income, gain, loss and deductions from  
12 farming. "Net business income", with respect to a natural person, estate or trust,  
13 means profit from a trade or business for federal income tax purposes and includes  
14 net income derived as an employee as defined in section 3121 (d) (3) of the internal  
15 revenue code.

16 SECTION 13. Initial applicability.

17 (1) CARCASS PROCESSING CREDIT. The treatment of sections 71.05 (6) (a) 15., 71.07  
18 (5d), ~~71.08 (1) (intro)~~, <sup>(fm)</sup> 71.10 (4) ~~(ii)~~, <sup>(fm)</sup> 71.21 (4), 71.26 (2) (a), 71.28 (5d), 71.30 (3) ~~(a)~~, <sup>(con)</sup>  
19 71.34 (1) (g) and 77.92 (4) of the statutes first <sup>apply</sup> applies to taxable years beginning on  
20 January 1 of the year in which this subsection takes effect, except that if this  
21 subsection takes effect after July 31 the treatment of sections 71.05 (6) (a) 15., 71.07  
22 (5d), ~~71.08 (1) (intro)~~, <sup>(fm)</sup> 71.10 (4) ~~(ii)~~, <sup>(fm)</sup> 71.21 (4), 71.26 (2) (a), 71.28 (5d), 71.30 (3) ~~(a)~~, <sup>(con)</sup>  
23 71.34 (1) (g) and 77.92 (4) of the statutes first <sup>apply</sup> applies to taxable years beginning on  
24 January 1 of the year after the year in which this subsection takes effect.

25 (END)

INSERT 7-15 ↓

insert 7-15

Section #. 77.92 (4) of the statutes is amended to read:

77.92 (4) "Net business <sup>STET</sup> income", with respect to a partnership, means taxable income as calculated under section 703 of the Internal Revenue Code; plus the items of income and gain under section 702 of the Internal Revenue Code, including taxable state and municipal bond interest and excluding nontaxable interest income or dividend income from federal government obligations; minus the items of loss and deduction under section 702 of the Internal Revenue Code, except items that are not deductible under s. 71.21; plus guaranteed payments to partners under section 707 (c) of the Internal Revenue Code; plus the credits claimed under s. 71.07 (2dd), (2de), (2di), (2dj), (2dL), (2dr), (2ds), (2dx) ~~and (3s)~~ <sup>and (5d)</sup>; and plus or minus, as appropriate, transitional adjustments, depreciation differences and basis differences under s. 71.05 (13), (15), (16), (17) <sup>and</sup> (19); but excluding income, gain, loss, <sup>and</sup> deductions from farming. "Net business income", with respect to a natural person, estate, <sup>or</sup> trust, means profit from a trade or business for federal income tax purposes and includes net income derived as an employee as defined in section 3121 (d) (3) of the Internal Revenue Code.

History: 1989 a. 335; 1991 a. 39, 269; 1993 a. 16, 112, 490; 1995 a. 27, 209; 1997 a. 27; 1999 a. 9.

end of insert 7-15



# State of Wisconsin

## LEGISLATIVE REFERENCE BUREAU

100 NORTH HAMILTON STREET  
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STEPHEN R. MILLER  
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LEGAL SECTION: (608) 266-3561  
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January 19, 2001

### MEMORANDUM

To: Representative Skindrud

From: Mary Gibson-Glass, Senior Legislative Attorney

Re: LRB-1405 Disposal of unclaimed carcasses of wild animals

The attached draft was prepared at your request. Please review it carefully to ensure that it is accurate and satisfies your intent. If it does and you would like it jacketed for introduction, please indicate below for which house you would like the draft jacketed and return this memorandum to our office. If you have any questions about jacketing, please call our program assistants at 266-3561. Please allow one day for jacketing.

  JACKET FOR ASSEMBLY  JACKET FOR SENATE

If you have any questions concerning the attached draft, or would like to have it redrafted, please contact me at (608) 267-3215 or at the address indicated at the top of this memorandum.

If the last paragraph of the analysis states that a fiscal estimate will be prepared, the LRB will request that it be prepared after the draft is introduced. You may obtain a fiscal estimate on the attached draft before it is introduced by calling our program assistants at 266-3561. Please note that if you have previously requested that a fiscal estimate be prepared on an earlier version of this draft, you will need to call our program assistants in order to obtain a fiscal estimate on this version before it is introduced.

Please call our program assistants at 266-3561 if you have any questions regarding this memorandum.