

**ASSEMBLY AMENDMENT 1,
TO 2001 ASSEMBLY BILL 380**

October 9, 2001 – Offered by ECONOMIC DEVELOPMENT.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 4, line 15: after that line insert:

3 “**SECTION 6m.** 71.04 (4m) of the statutes is created to read:

4 71.04 (**4m**) APPORTIONMENT FORMULA COMPUTATION. (a) 1. For taxable years
5 beginning before January 1, 2005, if both the numerator and the denominator of the
6 sales factor under sub. (7) related to a taxpayer’s remaining net income are zero, the
7 sales factor under sub. (7) is eliminated from the apportionment formula to
8 determine the taxpayer’s remaining net income under sub. (4).

9 2. For taxable years beginning after December 31, 2004, if both the numerator
10 and the denominator of the sales factor under sub. (7) related to a taxpayer’s
11 remaining net income are zero, none of the taxpayer’s remaining net income is
12 apportioned to this state.

1 (b) 1. For taxable years beginning before January 1, 2005, if the numerator of
2 the sales factor under sub. (7) related to a taxpayer's remaining net income is a
3 negative number and the denominator of the sales factor under sub. (7) related to a
4 taxpayer's remaining net income is a positive number, a negative number, or zero,
5 the sales factor under sub. (7) is zero.

6 2. For taxable years beginning after December 31, 2004, if the numerator of the
7 sales factor under sub. (7) related to a taxpayer's remaining net income is a negative
8 number and the denominator of the sales factor under sub. (7) related to a taxpayer's
9 remaining net income is a positive number, a negative number, or zero, none of the
10 taxpayer's remaining net income is apportioned to this state.

11 (c) 1. For taxable years beginning before January 1, 2005, if the numerator of
12 the sales factor under sub. (7) related to a taxpayer's remaining net income is a
13 positive number and the denominator of the sales factor under sub. (7) related to a
14 taxpayer's remaining net income is zero or a negative number, the sales factor under
15 sub. (7) is one.

16 2. For taxable years beginning after December 31, 2004, if the numerator of the
17 sales factor under sub. (7) related to a taxpayer's remaining net income is a positive
18 number and the denominator of the sales factor under sub. (7) related to a taxpayer's
19 remaining net income is zero or a negative number, all of the taxpayer's remaining
20 net income is apportioned to this state.”.

21 **2.** Page 8, line 13: after that line insert:

22 “**SECTION 18m.** 71.25 (6m) of the statutes is created to read:

23 71.25 **(6m)** APPORTIONMENT FORMULA COMPUTATION. (a) 1. For taxable years
24 beginning before January 1, 2005, if both the numerator and the denominator of the

1 sales factor under sub. (9) related to a taxpayer's remaining net income are zero, the
2 sales factor under sub. (9) is eliminated from the apportionment formula to
3 determine the taxpayer's remaining net income under sub. (6).

4 2. For taxable years beginning after December 31, 2004, if both the numerator
5 and the denominator of the sales factor under sub. (9) related to a taxpayer's
6 remaining net income are zero, none of the taxpayer's remaining net income is
7 apportioned to this state.

8 (b) 1. For taxable years beginning before January 1, 2005, if the numerator of
9 the sales factor under sub. (9) related to a taxpayer's remaining net income is a
10 negative number and the denominator of the sales factor under sub. (9) related to a
11 taxpayer's remaining net income is a positive number, a negative number, or zero,
12 the sales factor under sub. (9) is zero.

13 2. For taxable years beginning after December 31, 2004, if the numerator of the
14 sales factor under sub. (9) related to a taxpayer's remaining net income is a negative
15 number and the denominator of the sales factor under sub. (9) related to a taxpayer's
16 remaining net income is a positive number, a negative number, or zero, none of the
17 taxpayer's remaining net income is apportioned to this state.

18 (c) 1. For taxable years beginning before January 1, 2005, if the numerator of
19 the sales factor under sub. (9) related to a taxpayer's remaining net income is a
20 positive number and the denominator of the sales factor under sub. (9) related to a
21 taxpayer's remaining net income is zero or a negative number, the sales factor under
22 sub. (9) is one.

23 2. For taxable years beginning after December 31, 2004, if the numerator of the
24 sales factor under sub. (9) related to a taxpayer's remaining net income is a positive
25 number and the denominator of the sales factor under sub. (9) related to a taxpayer's

1 remaining net income is zero or a negative number, all of the taxpayer's remaining
2 net income is apportioned to this state.”.

3 **3.** Page 12, line 21: after that line insert:

4 “**SECTION 28m.** 71.45 (3e) of the statutes is created to read:

5 71.45 **(3e)** APPORTIONMENT FORMULA COMPUTATION. (a) 1. For taxable years
6 beginning before January 1, 2005, if both the numerator and the denominator used
7 to determine the percentage under sub. (3) (a) related to a taxpayer's net income are
8 zero, the percentage under sub. (3) (a) is eliminated from the apportionment formula
9 to determine the taxpayer's income under sub. (3).

10 2. For taxable years beginning after December 31, 2004, if both the numerator
11 and the denominator used to determine the percentage under sub. (3) (a) related to
12 a taxpayer's net income are zero, none of the taxpayer's net income is apportioned
13 to this state.

14 (b) 1. For taxable years beginning before January 1, 2005, if the numerator
15 used to determine the percentage under sub. (3) (a) related to a taxpayer's net income
16 is a negative number and the denominator used to determine the percentage under
17 sub. (3) (a) related to a taxpayer's net income is a positive number, a negative number,
18 or zero, the percentage under sub. (3) (a) is zero.

19 2. For taxable years beginning after December 31, 2004, if the numerator used
20 to determine the percentage under sub. (3) (a) related to a taxpayer's net income is
21 a negative number and the denominator used to determine the percentage under
22 sub. (3) (a) related to a taxpayer's net income is a positive number, a negative number,
23 or zero, none of the taxpayer's net income is apportioned to this state.

