

**2001 DRAFTING REQUEST**

**Assembly Amendment (AA-AB380)**

Received: 10/25/2001

Received By: jkreye

Wanted: Today

Identical to LRB:

For: John Gard (608) 266-2343

By/Representing:

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters: champra

Subject: Tax - corp. inc. and fran.

Extra Copies:

Submit via email: NO

---

**Pre Topic:**

No specific pre topic given

---

**Topic:**

Vendors; lapsed revenue; delayed phase-in

---

**Instructions:**

See Attached

---

**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>
/1	jkreye 10/25/2001	gilfokm 10/25/2001	jfrantze 10/25/2001	_____	lrb_docadmin 10/25/2001	lrb_docadmin 10/25/2001	

FE Sent For:

<END>

**2001 DRAFTING REQUEST**

**Assembly Amendment (AA-AB380)**

Received: **10/25/2001**

Received By: **jkreye**

Wanted: **Today**

Identical to LRB:

For: **John Gard (608) 266-2343**

By/Representing:

This file may be shown to any legislator: **NO**

Drafter: **jkreye**

May Contact:

Addl. Drafters: **champra**

Subject: **Tax - corp. inc. and fran.**

Extra Copies:

*JTK*  
*KMG*

Submit via email: **NO**

---

**Pre Topic:**

No specific pre topic given

---

**Topic:**

Vendors; lapsed revenue; delayed phase-in

---

**Instructions:**

See Attached

---

**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>
/1	jkreye						

*J* 10/25  
*J* 10/25

FE Sent For:

<END>

AB 380

0834/1 -

*Bob Lang*

837/1 -

838/2 -

*Hard*

LRBa0838/2  
JK/kmg:kjf  
0895/1  
A  
RAC

ASSEMBLY AMENDMENT,  
TO 2001 ASSEMBLY BILL 380

m 10-25  
NOW

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

2 1. Page 1, line 8: after "purposes" insert ", requiring vendors who contract with  
3 the state to collect sales and use taxes". **INSERT A** ✓

4 2. Page 2, line 1: before that line insert:

5 "SECTION 1am. 13.92 (1) (b) 1. b. of the statutes is amended to read:

6 13.92 (1) (b) 1. b. Any agency, as defined in s. 16.70 ~~(1)~~ (1e), created under ch.  
7 13, 14, 15, or 758.

8 SECTION 1b. 16.52 (6) (a) of the statutes is amended to read:

9 16.52 (6) (a) Except as authorized in s. 16.74, all purchase orders, contracts,  
10 or printing orders for any agency, as defined in s. 16.70 ~~(1)~~ (1e), shall, before any  
11 liability is incurred thereon, be submitted to the secretary for his or her approval as  
12 to legality of purpose and sufficiency of appropriated and allotted funds therefor. In  
13 all cases the date of the contract or order governs the fiscal year to which the contract

1 or order is chargeable, unless the secretary determines that the purpose of the  
2 contract or order is to prevent lapsing of appropriations or to otherwise circumvent  
3 budgetary intent. Upon such approval, the secretary shall immediately encumber  
4 all contracts or orders, and indicate the fiscal year to which they are chargeable.

5 **SECTION 1c.** 16.53 (13) (a) of the statutes is amended to read:

6 16.53 (13) (a) In this subsection, “agency” has the meaning given in s. 16.70 (1)  
7 (1e).

8 **SECTION 1d.** 16.545 (9) of the statutes, as affected by 2001 Wisconsin Act 16,  
9 is amended to read:

10 16.545 (9) To initiate contacts with the federal government for the purpose of  
11 facilitating participation by agencies, as defined in s. 16.70 (1) (1e), in federal aid  
12 programs, to assist those agencies in applying for such aid, and to facilitate  
13 influencing the federal government to make policy changes that will be beneficial to  
14 this state. The department may assess an agency to which it provides services under  
15 this subsection a fee for the expenses incurred by the department in providing those  
16 services.

17 **SECTION 1e.** 16.70 (1) of the statutes is renumbered 16.70 (1e).

18 **SECTION 1f.** 16.70 (1b) of the statutes is created to read:

19 16.70 (1b) “Affiliate” means an individual or business that controls, is  
20 controlled by, or is under common control with another individual or business.

21 **SECTION 1g.** 16.70 (2e) of the statutes is created to read:

22 16.70 (2e) “Business” means a corporation, partnership, limited liability  
23 company, association, or sole proprietorship operated for profit.

24 **SECTION 1h.** 16.70 (3e) of the statutes is created to read:

1           **16.70 (3e)** “Control” means to own, directly or indirectly, more than 10% of the  
2 interest in or voting securities of a business.

3           **SECTION 1i.** 16.70 (16) of the statutes is created to read:

4           **16.70 (16)** “Voting securities” means securities that confer upon the holder the  
5 right to vote for the election of members of the board of directors or similar governing  
6 body of a business, or are convertible into, or entitle the holder to receive upon their  
7 exercise, securities that confer such a right to vote.

8           **SECTION 1j.** 16.75 (1) (a) 1. of the statutes, as affected by 2001 Wisconsin Act  
9 16, is amended to read:

10           **16.75 (1) (a) 1.** All orders awarded or contracts made by the department for all  
11 materials, supplies, equipment, and contractual services to be provided to any  
12 agency, except as otherwise provided in par. (c) and subs. (2), (2g), (2m), (3m), (3t),  
13 (6), (7), (8), and (10m) and ss. 16.73 (4) (a), 16.751, 16.754, 16.964 (8), 50.05  
14 (7) (f), and 287.15 (7), shall be awarded to the lowest responsible bidder, taking into  
15 consideration life cycle cost estimates under sub. (1m), when appropriate, the  
16 location of the agency, the quantities of the articles to be supplied, their conformity  
17 with the specifications, and the purposes for which they are required and the date  
18 of delivery.

19           **SECTION 1k.** 16.75 (10m) of the statutes is created to read:

20           **16.75 (10m)** The department, any other designated purchasing agent under s.  
21 16.71 (1), any agency making purchases under s. 16.74, and any authority shall not  
22 enter into any contract or order for the purchase of materials, supplies, equipment,  
23 or contractual services with a person if the name of the person, or the name of an  
24 affiliate of that person, is certified to the department by the secretary of revenue  
25 under s. 77.66.

INSERT B

1           **SECTION 1L.** 16.84 (14) of the statutes, as affected by 2001 Wisconsin Act 16,  
2 is amended to read:

3           16.84 (14) Provide interagency mail delivery service for agencies, as defined  
4 in s. 16.70 ~~(1)~~ (1e). The department may charge agencies for this service. Any moneys  
5 collected shall be credited to the appropriation account under s. 20.505 (1) (kb).

6           **SECTION 1m.** 16.841 (1) (a) of the statutes is amended to read:

7           16.841 (1) (a) "Agency" has the meaning given in s. 16.70 ~~(1)~~ (1e).

8           **SECTION 1n.** 16.855 (16) (b) 1. of the statutes is amended to read:

9           16.855 (16) (b) 1. In this paragraph, "agency" has the meaning given in s. 16.70  
10 ~~(1)~~ (1e).

11           **SECTION 1p.** 22.01 (1) of the statutes, as affected by 2001 Wisconsin Act 16, is  
12 amended to read:

13           22.01 (1) "Agency" has the meaning given in s. 16.70 ~~(1)~~ (1e)."

14           **3.** Page 2, line 1: delete "**SECTION 1**" and substitute "**SECTION 1q**".

15           **4.** Page 13, line 5: after that line insert:

16           "**SECTION 29d.** 77.66 of the statutes is created to read:

17           **77.66 Refusal to collect taxes; certification.** The secretary of revenue shall  
18 determine and periodically certify to the secretary of administration the names of  
19 persons, and affiliates, as defined in s. 16.70 (1b), of persons, who refuse to collect and  
20 remit the taxes imposed under ss. 77.52 and 77.53 on their sales delivered to this  
21 state.

22           **SECTION 29m.** 146.185 (1) (i) of the statutes is amended to read:

23           146.185 (1) (i) "State agency" has the meaning given in s. 16.70 ~~(1)~~ (1e)."

24

(END)

INSERT C

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

INSERT  
C

INSERT  
A

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

2 1. Page 7, line 8: after "purposes" insert ", requiring the lapse of certain  
3 program revenue moneys to the general fund".

4 **2. Page 13, line 12: after that line insert:**

5 (2m) <sup>X</sup> VACANT POSITIONS IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT.

6 (a) In this subsection:

7 1. "Secretary" means the secretary of administration.

8 2. "State agency" means any office, department, or independent agency in the  
9 executive branch of government, other than the board of regents of the University  
10 of Wisconsin System.

11 (b) No later than 30 days after the effective date of this paragraph, the secretary  
12 shall determine for each state agency the number of FTE positions that are funded  
13 from program revenue and that have been vacant since the first day of the 9th month

2mx





1 immediately preceding the effective date of this paragraph, other than any position  
2 authorized to perform duties in a state institution or facility that has not been  
3 completed or has not begun operations as of July 1, 2001. The secretary shall also  
4 determine the annual salary and fringe benefits costs for such positions and shall  
5 identify the program revenue appropriations from which these costs are paid during  
6 the 2001–02 fiscal year.

7 (c) 1. During the 2002–03 fiscal year, the secretary shall lapse to the general  
8 fund from program revenue appropriations identified in paragraph (b) an amount  
9 equivalent to \$1,523,900. The secretary shall determine from which appropriations  
10 the amount shall be lapsed.

11 2. Each sum certain appropriation for the 2002–03 fiscal year from which an  
12 amount is lapsed under subdivision 1. is decreased by the amount of any lapse. Each  
13 continuing appropriation for the 2002–03 fiscal year from which an amount is lapsed  
14 under subdivision 1. is reestimated to subtract from such estimate the amount of any  
15 lapse.

16 (d) The secretary shall notify the joint committee on finance of all actions taken  
17 under paragraphs (b) and (c).”

18

~~(END)~~

END OF INSERT

C

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

INSERT B

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

2 **1.** Page 3, line 18: after that line insert:

3 **"SECTION 2m.** 71.04 (4) (am) of the statutes is created to read:

4 71.04 (4) (am) For taxable years beginning after December 31, 2002, and before  
5 January 1, 2004, an apportionment fraction composed of a sales factor under sub. (7)  
6 representing 55% of the fraction, a property factor under sub. (5) representing 22.5%  
7 of the fraction, and a payroll factor under sub. (6) representing 22.5% of the  
8 fraction."

9 **2.** Page 3, line 20: delete "2002" and substitute "2003".

10 **3.** Page 3, line 21: delete "2004" and substitute "2005".

11 **4.** Page 4, line 1: delete "2003" and substitute "2004".

12 **5.** Page 4, line 2: delete "2005" and substitute "2006".

13 **6.** Page 4, line 6: delete "2004" and substitute "2005".

10

B  
V

- 1 **7.** Page 4, line 10: delete “2005” and substitute “2006”.
- 2 **8.** Page 4, line 13: delete “2004” and substitute “2005”.
- 3 **9.** Page 4, line 18: delete “2005” and substitute “2006”.
- 4 **10.** Page 4, line 21: delete “2005” and substitute “2006”.
- 5 **11.** Page 6, line 14: delete “2004” and substitute “2005”.
- 6 **12.** Page 7, line 16: after that line insert:  
7 “**SECTION 14m.** 71.25 (6) (am) of the statutes is created to read:  
8 71.25 (6) (am) For taxable years beginning after December 31, 2002, and before  
9 January 1, 2004, an apportionment fraction composed of a sales factor under sub. (9)  
10 representing 55% of the fraction, a property factor under sub. (7) representing 22.5%  
11 of the fraction, and a payroll factor under sub. (8) representing 22.5% of the  
12 fraction.”.
- 13 **13.** Page 7, line 18: delete “2002” and substitute “2003”.
- 14 **14.** Page 7, line 19: delete “2004” and substitute “2005”.
- 15 **15.** Page 7, line 23: delete “2003” and substitute “2004”.
- 16 **16.** Page 7, line 24: delete “2005” and substitute “2006”.
- 17 **17.** Page 8, line 4: delete “2004” and substitute “2005”.
- 18 **18.** Page 8, line 8: delete “2005” and substitute “2006”.
- 19 **19.** Page 8, line 11: delete “2004” and substitute “2005”.
- 20 **20.** Page 8, line 16: delete “2005” and substitute “2006”.
- 21 **21.** Page 8, line 19: delete “2005” and substitute “2006”.
- 22 **22.** Page 10, line 11: delete “2004” and substitute “2005”.

V

1           **23.** Page 12, line 10: delete "60%" and substitute "55%".

2           **24.** Page 12, line 11: delete "40%" and substitute "45%".

3           **25.** Page 12, line 11: after that line insert:

4           “(am) For taxable years beginning after December 31, 2003, and before  
5           January 1, 2005, a domestic insurer that is subject to apportionment under sub. (3)  
6           and this subsection shall multiply the net income figure derived by the application  
7           of sub. (2) by an apportionment fraction composed of the percentage under sub. (3)  
8           (a) representing 60% of the fraction and the percentage under sub. (3) (b) 1.  
9           representing 40% of the fraction.”.

10          **26.** Page 12, line 12: delete "2003" and substitute "2004".

11          **27.** Page 12, line 13: delete "2005" and substitute "2006".

12          **28.** Page 12, line 18: delete "2004" and substitute "2005"

13

~~(END)~~

END  
OF  
INSERT B