

1 71.26 (2) (b) 15. For taxable years that begin after December 31, 1999, and
2 before January 1, 2001, for a corporation, conduit or common law trust which
3 qualifies as a regulated investment company, real estate mortgage investment
4 conduit, real estate investment trust or financial asset securitization investment
5 trust under the Internal Revenue Code as amended to December 31, 1999, excluding
6 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),
7 13174, and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and
8 1605 (d) of P.L. 104-188, and as amended by P.L. 106-200, P.L. 106-230, P.L.
9 106-519, P.L. 106-554, P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L.
10 107-16, and as indirectly affected in the provisions applicable to this subchapter by
11 P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179,
12 P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
13 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
14 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
15 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
16 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
17 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L. 106-170,
18 P.L. 106-200, P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L. 106-573, and P.L.
19 107-16, excluding section 431 of P.L. 107-16, “net income” means the federal
20 regulated investment company taxable income, federal real estate mortgage
21 investment conduit taxable income, federal real estate investment trust or financial
22 asset securitization investment trust taxable income of the corporation, conduit or
23 trust as determined under the Internal Revenue Code as amended to December 31,
24 1999, excluding sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d),
25 13171 (d), 13174, and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204

1 (f), 1311, and 1605 (d) of P.L. 104-188, and as amended by P.L. 106-200, P.L. 106-230,
2 P.L. 106-519, P.L. 106-554, P.L. 106-573, and P.L. 107-16, excluding section 431 of
3 P.L. 107-16, and as indirectly affected in the provisions applicable to this subchapter
4 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,
5 P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
6 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
7 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
8 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
9 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
10 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and P.L. 106-170,
11 P.L. 106-200, P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L. 106-573, and P.L.
12 107-16, excluding section 431 of P.L. 107-16, except that property that, under s.
13 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated for taxable years 1983
14 to 1986 under the Internal Revenue Code as amended to December 31, 1980, shall
15 continue to be depreciated under the Internal Revenue Code as amended to
16 December 31, 1980, and except that the appropriate amount shall be added or
17 subtracted to reflect differences between the depreciation or adjusted basis for
18 federal income tax purposes and the depreciation or adjusted basis under this
19 chapter of any property disposed of during the taxable year. The Internal Revenue
20 Code as amended to December 31, 1999, excluding sections 103, 104, and 110 of P.L.
21 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,
22 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as
23 amended by P.L. 106-200, P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L. 106-573,
24 and P.L. 107-16, excluding section 431 of P.L. 107-16, and as indirectly affected in
25 the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L.

1 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.
2 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.
3 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and
4 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.
5 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
6 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.
7 105-206, P.L. 105-277, P.L. 106-36 and, P.L. 106-170, P.L. 106-200, P.L. 106-230,
8 P.L. 106-519, P.L. 106-554, P.L. 106-573, and P.L. 107-16, excluding section 431 of
9 P.L. 107-16, applies for Wisconsin purposes at the same time as for federal purposes.
10 Amendments to the Internal Revenue Code enacted after December 31, 1999, do not
11 apply to this subdivision with respect to taxable years that begin after
12 December 31, 1999, and before January 1, 2001, except that changes to the Internal
13 Revenue Code made by P.L. 106-200, P.L. 106-230, P.L. 106-519, P.L. 106 554, P.L.
14 106-573, and P.L. 107-16, excluding section 431 of P.L. 107-16, and changes that
15 indirectly affect the provisions applicable to this subchapter made by P.L. 106-200,
16 P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L. 106-573, and P.L. 107-16, excluding
17 section 431 of P.L. 107-16, apply for Wisconsin purposes at the same time as for
18 federal purposes.

19 **SECTION 45.** 71.26 (2) (b) 16. of the statutes is created to read:

20 71.26 (2) (b) 16. For taxable years that begin after December 31, 2000, and
21 before January 1, 2002, for a corporation, conduit, or common law trust which
22 qualifies as a regulated investment company, real estate mortgage investment
23 conduit, real estate investment trust, or financial asset securitization investment
24 trust under the Internal Revenue Code as amended to December 31, 2000, excluding
25 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),

1 13174, and 13203 (d) of P.L. 103–66, and sections 1123 (b), 1202 (c), 1204 (f), 1311,
2 and 1605 (d) of P.L. 104–188, and as amended by P.L. 107–16, excluding section 431
3 of P.L. 107–16, and P.L. 107–22, and as indirectly affected in the provisions
4 applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L.
5 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227,
6 excluding sections 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L.
7 103–66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
8 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188,
9 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L.
10 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L.
11 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–200, P.L. 106–230, P.L. 106–519, P.L.
12 106–554, P.L. 106–573, P.L. 107–16, excluding section 431 of P.L. 107–16, and P.L.
13 107–22, “net income” means the federal regulated investment company taxable
14 income, federal real estate mortgage investment conduit taxable income, federal real
15 estate investment trust or financial asset securitization investment trust taxable
16 income of the corporation, conduit, or trust as determined under the Internal
17 Revenue Code as amended to December 31, 2000, 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 amended by P.L. 107–16, excluding section 431 of P.L. 107–16, and P.L.
21 107–22, and as indirectly affected in the provisions applicable to this subchapter by
22 P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179,
23 P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L.
24 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150
25 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L.

1 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
2 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
3 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.
4 106-200, P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L. 106-573, P.L. 107-16,
5 excluding section 431 of P.L. 107-16, and P.L. 107-22, 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 as amended to
8 December 31, 1980, shall continue to be depreciated under the Internal Revenue
9 Code as amended to December 31, 1980, and except that the appropriate amount
10 shall be added or subtracted to reflect differences between the depreciation or
11 adjusted basis for federal income tax purposes and the depreciation or adjusted basis
12 under this chapter of any property disposed of during the taxable year. The Internal
13 Revenue Code as amended to December 31, 2000, excluding sections 103, 104, and
14 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
15 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,
16 and as amended by P.L. 107-16, excluding section 431 of P.L. 107-16, and P.L.
17 107-22, and as indirectly affected in the provisions applicable to this subchapter by
18 P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179,
19 P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
20 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
21 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
22 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
23 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
24 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.
25 106-200, P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L. 106-573, P.L. 107-16,

1 excluding section 431 of P.L. 107-16, and P.L. 107-22, applies for Wisconsin purposes
2 at the same time as for federal purposes. Amendments to the Internal Revenue Code
3 enacted after December 31, 2000, do not apply to this subdivision with respect to
4 taxable years that begin after December 31, 2000, and before January 1, 2002,
5 except that changes to the Internal Revenue Code made by P.L. 107-16, excluding
6 section 431 of P.L. 107-16, and P.L. 107-22, and changes that indirectly affect the
7 provisions applicable to this subchapter made by P.L. 107-16, excluding section 431
8 of P.L. 107-16, and P.L. 107-22, apply for Wisconsin purposes at the same time as
9 for federal purposes.

10 **SECTION 46.** 71.26 (2) (b) 17. of the statutes is created to read:

11 71.26 (2) (b) 17. For taxable years that begin after December 31, 2001, for a
12 corporation, conduit, or common law trust which qualifies as a regulated investment
13 company, real estate mortgage investment conduit, real estate investment trust, or
14 financial asset securitization investment trust under the Internal Revenue Code as
15 amended to December 31, 2001, excluding sections 103, 104, and 110 of P.L. 102-227,
16 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections
17 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and section 431 of P.L.
18 107-16, and as indirectly affected in the provisions applicable to this subchapter by
19 P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179,
20 P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
21 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
22 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
23 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
24 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
25 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.

1 106-200, P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L. 106-573, P.L. 107-15, P.L.
2 107-16, excluding section 431 of P.L. 107-16, and P.L. 107-22, "net income" means
3 the federal regulated investment company taxable income, federal real estate
4 mortgage investment conduit taxable income, federal real estate investment trust
5 or financial asset securitization investment trust taxable income of the corporation,
6 conduit, or trust as determined under the Internal Revenue Code as amended to
7 December 31, 2001, excluding sections 103, 104, and 110 of P.L. 102-227, sections
8 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),
9 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and section 431 of P.L. 107-16,
10 and as indirectly affected in the provisions applicable to this subchapter by P.L.
11 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L.
12 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
13 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
14 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
15 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
16 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
17 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L.
18 106-200, P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L. 106-573, P.L. 107-15, P.L.
19 107-16, excluding section 431 of P.L. 107-16, and P.L. 107-22, except that property
20 that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated for
21 taxable years 1983 to 1986 under the Internal Revenue Code as amended to
22 December 31, 1980, shall continue to be depreciated under the Internal Revenue
23 Code as amended to December 31, 1980, and except that the appropriate amount
24 shall be added or subtracted to reflect differences between the depreciation or
25 adjusted basis for federal income tax purposes and the depreciation or adjusted basis

1 under this chapter of any property disposed of during the taxable year. The Internal
2 Revenue Code as amended to December 31, 2001, excluding sections 103, 104, and
3 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
4 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and
5 section 431 of P.L. 107-16, and as indirectly affected in the provisions applicable to
6 this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.
7 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections
8 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding
9 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.
10 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections
11 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.
12 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
13 106-36, P.L. 106-170, P.L. 106-200, P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L.
14 106-573, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, and P.L.
15 107-22, applies for Wisconsin purposes at the same time as for federal purposes.
16 Amendments to the Internal Revenue Code enacted after December 31, 2001, do not
17 apply to this subdivision with respect to taxable years that begin after
18 December 31, 2001.

19 **SECTION 47.** 71.26 (3) (y) of the statutes is renumbered 71.26 (3) (y) 1. and
20 amended to read:

21 71.26 (3) (y) 1. A For taxable years that begin after December 31, 2000, and
22 before January 1, 2002, a corporation may compute amortization and depreciation
23 under either the federal Internal Revenue Code as amended to December 31, 1999
24 2000, or the federal Internal Revenue Code in effect for the taxable year for which
25 the return is filed, except that property first placed in service by the taxpayer on or

1 after January 1, 1983, but before January 1, 1987, that, under s. 71.04 (15) (b) and
2 (br), 1985 stats., is required to be depreciated under the Internal Revenue Code as
3 amended to December 31, 1980, and property first placed in service in taxable year
4 1981 or thereafter but before January 1, 1987, that, under s. 71.04 (15) (bm), 1985
5 stats., is required to be depreciated under the Internal Revenue Code as amended
6 to December 31, 1980, shall continue to be depreciated under the Internal Revenue
7 Code as amended to December 31, 1980.

8 **SECTION 48.** 71.26 (3) (y) 2. of the statutes is created to read:

9 71.26 (3) (y) 2. For taxable years that begin after December 31, 2001, a
10 corporation may compute amortization and depreciation under either the federal
11 Internal Revenue Code as amended to December 31, 2001, or the federal Internal
12 Revenue Code in effect for the taxable year for which the return is filed, except that
13 property first placed in service by the taxpayer on or after January 1, 1983, but
14 before January 1, 1987, that, under s. 71.04 (15) (b) and (br), 1985 stats., is required
15 to be depreciated under the Internal Revenue Code as amended to
16 December 31, 1980, and property first placed in service in taxable year 1981 or
17 thereafter but before January 1, 1987, that, under s. 71.04 (15) (bm), 1985 stats., is
18 required to be depreciated under the Internal Revenue Code as amended to
19 December 31, 1980, shall continue to be depreciated under the Internal Revenue
20 Code as amended to December 31, 1980.

21 **SECTION 49.** 71.34 (1g) (g) of the statutes is repealed.

22 **SECTION 50.** 71.34 (1g) (h) of the statutes is repealed.

23 **SECTION 51.** 71.34 (1g) (i) of the statutes is amended to read:

24 71.34 (1g) (i) "Internal Revenue Code" for tax-option corporations, for taxable
25 years that begin after December 31, 1993, and before January 1, 1995, means the

1 federal Internal Revenue Code as amended to December 31, 1993, excluding
2 sections 103, 104, and 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d),
3 13174, 13203 (d), and 13215 of P.L. 103-66, and as amended by P.L. 103-296, P.L.
4 103-337, P.L. 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188,
5 excluding section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L.
6 105-206 and, P.L. 105-277, and P.L. 106-554, and as indirectly affected in the
7 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647
8 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2)
9 of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L.
10 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and
11 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections
12 13113, 13150 (d), 13171 (d), 13174, 13203 (d), and 13215 of P.L. 103-66, P.L. 103-296,
13 P.L. 103-337, P.L. 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L.
14 104-188, excluding section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
15 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, except that section 1366
16 (f) (relating to pass-through of items to shareholders) is modified by substituting the
17 tax under s. 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue
18 Code applies for Wisconsin purposes at the same time as for federal purposes.
19 Amendments to the federal Internal Revenue Code enacted after
20 December 31, 1993, do not apply to this paragraph with respect to taxable years
21 beginning after December 31, 1993, and before January 1, 1995, except that
22 changes to the Internal Revenue Code made by P.L. 103-296, P.L. 103-337, P.L.
23 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188, excluding
24 section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206
25 and, P.L. 105-277, and P.L. 106-554, and changes that indirectly affect the

1 provisions applicable to this subchapter made by P.L. 103-296, P.L. 103-337, P.L.
2 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188, excluding
3 section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206
4 and, P.L. 105-277, and P.L. 106-554, apply for Wisconsin purposes at the same time
5 as for federal purposes.

6 **SECTION 52.** 71.34 (1g) (j) of the statutes is amended to read:

7 71.34 (1g) (j) "Internal Revenue Code" for tax-option corporations, for taxable
8 years that begin after December 31, 1994, and before January 1, 1996, means the
9 federal Internal Revenue Code as amended to December 31, 1994, excluding
10 sections 103, 104, and 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d),
11 13174, and 13203 (d) of P.L. 103-66, and as amended by P.L. 104-7, P.L. 104-188,
12 excluding sections 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L.
13 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106 554, and as
14 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.
15 100-203, P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821
16 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L.
17 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,
18 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.
19 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
20 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,
21 excluding sections 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L.
22 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, except that
23 section 1366 (f) (relating to pass-through of items to shareholders) is modified by
24 substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The
25 Internal Revenue Code applies for Wisconsin purposes at the same time as for federal

1 purposes. Amendments to the federal Internal Revenue Code enacted after
2 December 31, 1994, do not apply to this paragraph with respect to taxable years
3 beginning after December 31, 1994, and before January 1, 1996, except changes to
4 the Internal Revenue Code made by P.L. 104-7, P.L. 104-188, excluding sections
5 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34,
6 P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, and changes that indirectly affect
7 the provisions applicable to this subchapter made by P.L. 104-7, P.L. 104-188,
8 excluding sections 1202, 1204, 1311 and 1605 of P.L. 104-188, P.L. 104-191, P.L.
9 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, apply for
10 Wisconsin purposes at the same time as for federal purposes.

11 **SECTION 53.** 71.34 (1g) (k) of the statutes is amended to read:

12 71.34 (1g) (k) "Internal Revenue Code" for tax-option corporations, for taxable
13 years that begin after December 31, 1995, and before January 1, 1997, means the
14 federal Internal Revenue Code as amended to December 31, 1995, excluding
15 sections 103, 104, and 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d),
16 13174, and 13203 (d) of P.L. 103-66, and as amended by P.L. 104-188, excluding
17 sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L.
18 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L.
19 106-554, and as indirectly affected in the provisions applicable to this subchapter
20 by P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d)
21 (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.
22 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.
23 102-227, 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 13113, 13150 (d), 13171 (d), 13174, and
25 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.

1 104-188, excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L.
2 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and, P.L. 105-277,
3 and P.L. 106-554, except that section 1366 (f) (relating to pass-through of items to
4 shareholders) is modified by substituting the tax under s. 71.35 for the taxes under
5 sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin purposes
6 at the same time as for federal purposes. Amendments to the federal Internal
7 Revenue Code enacted after December 31, 1995, do not apply to this paragraph with
8 respect to taxable years beginning after December 31, 1995, and before
9 January 1, 1997, except that changes to the Internal Revenue Code made by P.L.
10 104-188, excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L.
11 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and, P.L. 105-277,
12 and P.L. 106-554, and changes that indirectly affect the provisions applicable to this
13 subchapter made by P.L. 104-188, excluding sections 1123, 1202, 1204, 1311, and
14 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.
15 105-206 and, P.L. 105-277, and P.L. 106-554, apply for Wisconsin purposes at the
16 same time as for federal purposes.

17 **SECTION 54.** 71.34 (1g) (L) of the statutes is amended to read:

18 71.34 (1g) (L) "Internal Revenue Code" for tax-option corporations, for taxable
19 years that begin after December 31, 1996, and before January 1, 1998, means the
20 federal Internal Revenue Code as amended to December 31, 1996, excluding
21 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),
22 13174, and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and
23 1605 (d) of P.L. 104-188, and as amended by P.L. 105-33, P.L. 105-34, P.L. 105-206,
24 P.L. 105-277 and, P.L. 106-36, P.L. 106-554, and P.L. 107-16, excluding section 431
25 of P.L. 107-16, and as indirectly affected in the provisions applicable to this

1 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding sections 803 (d) (2)
2 (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008
3 (g) (5) of P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L.
4 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.
5 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),
6 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.
7 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605
8 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.
9 105-206, P.L. 105-277 and, P.L. 106-36, P.L. 106-554, and P.L. 107-16, excluding
10 section 431 of P.L. 107-16, except that section 1366 (f) (relating to pass-through of
11 items to shareholders) is modified by substituting the tax under s. 71.35 for the taxes
12 under sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin
13 purposes at the same time as for federal purposes. Amendments to the federal
14 Internal Revenue Code enacted after December 31, 1996, do not apply to this
15 paragraph with respect to taxable years beginning after December 31, 1996, and
16 before January 1, 1998, except that changes to the Internal Revenue Code made by
17 P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277 and, P.L. 106-36, P.L. 106-554,
18 and P.L. 107-16, excluding section 431 of P.L. 107-16, and changes that indirectly
19 affect the provisions applicable to this subchapter made by P.L. 105-33, P.L. 105-34,
20 P.L. 105-206, P.L. 105-277 and, P.L. 106-36, P.L. 106-554, and P.L. 107-16,
21 excluding section 431 of P.L. 107-16, apply for Wisconsin purposes at the same time
22 as for federal purposes.

23 **SECTION 55.** 71.34 (1g) (m) of the statutes is amended to read:

24 71.34 (1g) (m) "Internal Revenue Code" for tax-option corporations, for taxable
25 years that begin after December 31, 1997, and before January 1, 1999, means the

1 federal Internal Revenue Code as amended to December 31, 1997, excluding sections
2 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and
3 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d)
4 of P.L. 104-188, and as amended by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.
5 106-36 and, P.L. 106-170, P.L. 106-554, P.L. 106-573, and P.L. 107-16, excluding
6 section 431 of P.L. 107-16, and as indirectly affected in the provisions applicable to
7 this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding sections 803
8 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section
9 1008 (g) (5) of 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
14 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.
15 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L. 106-170, P.L. 106-554,
16 P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L. 107-16, except that
17 section 1366 (f) (relating to pass-through of items to shareholders) is modified by
18 substituting the tax under s. 71.35 for the taxes under sections 1374 and 1375. The
19 Internal Revenue Code applies for Wisconsin purposes at the same time as for federal
20 purposes. Amendments to the federal Internal Revenue Code enacted after
21 December 31, 1997, do not apply to this paragraph with respect to taxable years
22 beginning after December 31, 1997, and before January 1, 1999, except that
23 changes to the Internal Revenue Code made by P.L. 105-178, P.L. 105-206, P.L.
24 105-277, P.L. 106-36 and, P.L. 106-170, P.L. 106-554, P.L. 106-573, and P.L.
25 107-16, excluding section 431 of P.L. 107-16, and changes that indirectly affect the

1 provisions applicable to this subchapter made by P.L. 105-178, P.L. 105-206, P.L.
2 105-277, P.L. 106-36 ~~and~~, P.L. 106-170, P.L. 106-554, P.L. 106-573, and P.L.
3 107-16, excluding section 431 of P.L. 107-16, apply for Wisconsin purposes at the
4 same time as for federal purposes.

5 **SECTION 56.** 71.34 (1g) (n) of the statutes is amended to read:

6 71.34 (1g) (n) "Internal Revenue Code" for tax-option corporations, for taxable
7 years that begin after December 31, 1998, and before January 1, 2000, means the
8 federal Internal Revenue Code as amended to December 31, 1998, excluding sections
9 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and
10 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d)
11 of P.L. 104-188, and as amended by P.L. 106-36 ~~and~~, P.L. 106-170, P.L. 106-230, P.L.
12 106-519, P.L. 106-554, P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L.
13 107-16, and as indirectly affected in the provisions applicable to this subchapter by
14 P.L. 99-514, P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2),
15 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.
16 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.
17 102-227, 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, P.L. 105-34, P.L. 105-178, P.L.
22 105-206, P.L. 105-277, P.L. 106-36 ~~and~~, P.L. 106-170, P.L. 106-230, P.L. 106-519,
23 P.L. 106-554, P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L. 107-16,
24 except that section 1366 (f) (relating to pass-through of items to shareholders) is
25 modified by substituting the tax under s. 71.35 for the taxes under sections 1374 and

1 1375. The Internal Revenue Code applies for Wisconsin purposes at the same time
2 as for federal purposes. Amendments to the federal Internal Revenue Code enacted
3 after December 31, 1998, do not apply to this paragraph with respect to taxable years
4 beginning after December 31, 1998, and before January 1, 2000, except that
5 changes to the Internal Revenue Code made by P.L. 106-36 and, P.L. 106-170, P.L.
6 106-230, P.L. 106-519, P.L. 106-554, P.L. 106-573, and P.L. 107-16, excluding
7 section 431 of P.L. 107-16, and changes that indirectly affect the provisions
8 applicable to this subchapter made by P.L. 106-36 and, P.L. 106-170, P.L. 106-230,
9 P.L. 106-519, P.L. 106-554, P.L. 106-573, and P.L. 107-16, excluding section 431 of
10 P.L. 107-16, apply for Wisconsin purposes at the same time as for federal purposes.

11 **SECTION 57.** 71.34 (1g) (o) of the statutes is amended to read:

12 71.34 (1g) (o) "Internal Revenue Code" for tax-option corporations, for taxable
13 years that begin after December 31, 1999, and before January 1, 2001, means the
14 federal Internal Revenue Code as amended to December 31, 1999, excluding sections
15 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and
16 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d)
17 of P.L. 104-188, and as amended by P.L. 106-200, P.L. 106-230, P.L. 106-519, P.L.
18 106-554, P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L. 107-16, and
19 as indirectly affected in the provisions applicable to this subchapter by P.L. 99-514,
20 P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2),
21 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L.
22 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,
23 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.
24 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
25 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,

1 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, P.L.
2 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–178, P.L. 105–206, P.L.
3 105–277, P.L. 106–36 and P.L. 106–170, P.L. 106–200, P.L. 106–230, P.L. 106–519,
4 P.L. 106–554, P.L. 106–573, and P.L. 107–16, excluding section 431 of P.L. 107–16,
5 except that section 1366 (f) (relating to pass-through of items to shareholders) is
6 modified by substituting the tax under s. 71.35 for the taxes under sections 1374 and
7 1375. The Internal Revenue Code applies for Wisconsin purposes at the same time
8 as for federal purposes. Amendments to the federal Internal Revenue Code enacted
9 after December 31, 1999, do not apply to this paragraph with respect to taxable years
10 beginning after December 31, 1999, and before January 1, 2001, except that changes
11 to the Internal Revenue Code made by P.L. 106–200, P.L. 106–230, P.L. 106–519, P.L.
12 106–554, P.L. 106–573, and P.L. 107–16, excluding section 431 of P.L. 107–16, and
13 changes that indirectly affect the provisions applicable to this subchapter made by
14 P.L. 106–200, P.L. 106–230, P.L. 106–519, P.L. 106–554, P.L. 106–573, and P.L.
15 107–16, excluding section 431 of P.L. 107–16, apply for Wisconsin purposes at the
16 same time as for federal purposes.

17 **SECTION 58.** 71.34 (1g) (p) of the statutes is created to read:

18 71.34 (1g) (p) “Internal Revenue Code” for tax-option corporations, for taxable
19 years that begin after December 31, 2000, and before January 1, 2002, means the
20 federal Internal Revenue Code as amended to December 31, 2000, excluding sections
21 103, 104, and 110 of P.L. 102–227, sections 13113, 13150 (d), 13171 (d), 13174, and
22 13203 (d) of P.L. 103–66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d)
23 of P.L. 104–188, and as amended by P.L. 107–16, excluding section 431 of P.L. 107–16,
24 and P.L. 107–22, and as indirectly affected in the provisions applicable to this
25 subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, excluding sections 803 (d) (2)

1 (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008
2 (g) (5) of P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L.
3 101-508, 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
7 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.
8 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-200, P.L.
9 106-230, P.L. 106-519, P.L. 106-554, P.L. 106-573, P.L. 107-16, excluding section
10 431 of P.L. 107-16, and P.L. 107-22, except that section 1366 (f) (relating to
11 pass-through of items to shareholders) is modified by substituting the tax under s.
12 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue Code applies
13 for Wisconsin purposes at the same time as for federal purposes. Amendments to the
14 federal Internal Revenue Code enacted after December 31, 2000, do not apply to this
15 paragraph with respect to taxable years beginning after December 31, 2000, and
16 before January 1, 2002, except that changes to the Internal Revenue Code made by
17 P.L. 107-16, excluding section 431 of P.L. 107-16, and P.L. 107-22, and changes that
18 indirectly affect the provisions applicable to this subchapter made by P.L. 107-16,
19 excluding section 431 of P.L. 107-16, and P.L. 107-22, apply for Wisconsin purposes
20 at the same time as for federal purposes.

21 **SECTION 59.** 71.34 (1g) (q) of the statutes is created to read:

22 71.34 (1g) (q) "Internal Revenue Code" for tax-option corporations, for taxable
23 years that begin after December 31, 2001, means the federal Internal Revenue Code
24 as amended to December 31, 2001, excluding sections 103, 104, and 110 of P.L.
25 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,

1 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104–188, and section
2 431 of P.L. 107–16, 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, excluding sections 803 (d) (2)
4 (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99–514 and section 1008
5 (g) (5) of P.L. 100–647, P.L. 101–73, P.L. 101–140, P.L. 101–179, P.L. 101–239, P.L.
6 101–508, P.L. 102–227, excluding sections 103, 104, and 110 of P.L. 102–227, P.L.
7 102–318, P.L. 102–486, P.L. 103–66, excluding sections 13113, 13150 (d), 13171 (d),
8 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L. 103–337, P.L. 103–465, P.L.
9 104–7, P.L. 104–188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605
10 (d) of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L.
11 105–178, P.L. 105–206, P.L. 105–277, P.L. 106–36, P.L. 106–170, P.L. 106–200, P.L.
12 106–230, P.L. 106–519, P.L. 106–554, P.L. 106–573, P.L. 107–15, P.L. 107–16,
13 excluding section 431 of P.L. 107–16, and P.L. 107–22, except that section 1366 (f)
14 (relating to pass-through of items to shareholders) is modified by substituting the
15 tax under s. 71.35 for the taxes under sections 1374 and 1375. The Internal Revenue
16 Code applies for Wisconsin purposes at the same time as for federal purposes.
17 Amendments to the federal Internal Revenue Code enacted after December 31, 2001,
18 do not apply to this paragraph with respect to taxable years beginning after
19 December 31, 2001.

20 **SECTION 60.** 71.365 (1m) of the statutes is renumbered 71.365 (1m) (a) and
21 amended to read:

22 71.365 (1m) (a) -A- For taxable years that begin after December 31, 2000, and
23 before January 1, 2002, a tax-option corporation may compute amortization and
24 depreciation under either the federal Internal Revenue Code as amended to
25 December 31, 1999 2000, or the federal Internal Revenue Code in effect for the

1 taxable year for which the return is filed, except that property first placed in service
2 by the taxpayer on or after January 1, 1983, but before January 1, 1987, that, under
3 s. 71.04 (15) (b) and (br), 1985 stats., is required to be depreciated under the Internal
4 Revenue Code as amended to December 31, 1980, and property first placed in service
5 in taxable year 1981 or thereafter but before January 1, 1987, that, under s. 71.04
6 (15) (bm), 1985 stats., is required to be depreciated under the Internal Revenue Code
7 as amended to December 31, 1980, shall continue to be depreciated under the
8 Internal Revenue Code as amended to December 31, 1980. Any difference between
9 the adjusted basis for federal income tax purposes and the adjusted basis under this
10 chapter shall be taken into account in determining net income or loss in the year or
11 years for which the gain or loss is reportable under this chapter. If that property was
12 placed in service by the taxpayer during taxable year 1986 and thereafter but before
13 the property is used in the production of income subject to taxation under this
14 chapter, the property's adjusted basis and the depreciation or other deduction
15 schedule are not required to be changed from the amount allowable on the owner's
16 federal income tax returns for any year because the property is used in the
17 production of income subject to taxation under this chapter. If that property was
18 acquired in a transaction in taxable year 1986 or thereafter in which the adjusted
19 basis of the property in the hands of the transferee is the same as the adjusted basis
20 of the property in the hands of the transferor, the Wisconsin adjusted basis of that
21 property on the date of transfer is the adjusted basis allowable under the Internal
22 Revenue Code as defined for Wisconsin purposes for the property in the hands of the
23 transferor.

24 **SECTION 61.** 71.365 (1m) (b) of the statutes is created to read:

1 71.365 (1m) (b) For taxable years that begin after December 31, 2001, a
2 tax-option corporation may compute amortization and depreciation under either the
3 federal Internal Revenue Code as amended to December 31, 2001, or the federal
4 Internal Revenue Code in effect for the taxable year for which the return is filed,
5 except that property first placed in service by the taxpayer on or after
6 January 1, 1983, but before January 1, 1987, that, under s. 71.04 (15) (b) and (br),
7 1985 stats., is required to be depreciated under the Internal Revenue Code as
8 amended to December 31, 1980, and property first placed in service in taxable year
9 1981 or thereafter but before January 1, 1987, that, under s. 71.04 (15) (bm), 1985
10 stats., is required to be depreciated under the Internal Revenue Code as amended
11 to December 31, 1980, shall continue to be depreciated under the Internal Revenue
12 Code as amended to December 31, 1980. Any difference between the adjusted basis
13 for federal income tax purposes and the adjusted basis under this chapter shall be
14 taken into account in determining net income or loss in the year or years for which
15 the gain or loss is reportable under this chapter. If that property was placed in
16 service by the taxpayer during taxable year 1986 and thereafter but before the
17 property is used in the production of income subject to taxation under this chapter,
18 the property's adjusted basis and the depreciation or other deduction schedule are
19 not required to be changed from the amount allowable on the owner's federal income
20 tax returns for any year because the property is used in the production of income
21 subject to taxation under this chapter. If that property was acquired in a transaction
22 in taxable year 1986 or thereafter in which the adjusted basis of the property in the
23 hands of the transferee is the same as the adjusted basis of the property in the hands
24 of the transferor, the Wisconsin adjusted basis of that property on the date of transfer

1 is the adjusted basis allowable under the Internal Revenue Code as defined for
2 Wisconsin purposes for the property in the hands of the transferor.

3 **SECTION 62.** 71.42 (2) (f) of the statutes is repealed.

4 **SECTION 63.** 71.42 (2) (g) of the statutes is repealed.

5 **SECTION 64.** 71.42 (2) (h) of the statutes is amended to read:

6 71.42 (2) (h) For taxable years that begin after December 31, 1993, and before
7 January 1, 1995, "Internal Revenue Code" means the federal Internal Revenue Code
8 as amended to December 31, 1993 excluding sections 103, 104, and 110 of P.L.
9 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, 13203 (d), and 13215 of P.L.
10 103-66, and as amended by P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7,
11 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, P.L. 105-34, P.L. 105-206 and P.L. 105-277,
13 and P.L. 106-554, and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L.
14 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.
15 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.
16 102-486 and P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174,
17 13203 (d), and 13215 of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.
18 104-7, 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, P.L. 105-34, P.L. 105-206 and P.L. 105-277,
20 and P.L. 106-554, except that "Internal Revenue Code" does not include section 847
21 of the federal Internal Revenue Code. The Internal Revenue Code applies for
22 Wisconsin purposes at the same time as for federal purposes. Amendments to the
23 federal Internal Revenue Code enacted after December 31, 1993, do not apply to this
24 paragraph with respect to taxable years beginning after December 31, 1993, and
25 before January 1, 1995, except that changes to the Internal Revenue Code made by

1 P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, excluding section 1 of P.L.
2 104-7, P.L. 104-188, excluding section 1311 of P.L. 104-188, P.L. 104-191, P.L.
3 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, and
4 changes that indirectly affect the provisions applicable to this subchapter made by
5 P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, excluding section 1 of P.L.
6 104-7, P.L. 104-188, excluding section 1311 of P.L. 104-188, P.L. 104-191, P.L.
7 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, apply for
8 Wisconsin purposes at the same time as for federal purposes.

9 **SECTION 65.** 71.42 (2) (i) of the statutes is amended to read:

10 71.42 (2) (i) For taxable years that begin after December 31, 1994, and before
11 January 1, 1996, "Internal Revenue Code" means the federal Internal Revenue Code
12 as amended to December 31, 1994, excluding sections 103, 104, and 110 of P.L.
13 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
14 103-66, and as amended by P.L. 104-7, P.L. 104-188, excluding sections 1202, 1204,
15 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L.
16 105-206 and, P.L. 105-277, and P.L. 106-554, and as indirectly affected by P.L.
17 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L.
18 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
19 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
20 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
21 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1202, 1204, 1311, and 1605 of
22 P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206 and, P.L.
23 105-277, and P.L. 106-554, except that "Internal Revenue Code" does not include
24 section 847 of the federal Internal Revenue Code. The Internal Revenue Code
25 applies for Wisconsin purposes at the same time as for federal purposes.

1 Amendments to the federal Internal Revenue Code enacted after
2 December 31, 1994, do not apply to this paragraph with respect to taxable years
3 beginning after December 31, 1994, and before January 1, 1996, except that
4 changes to the Internal Revenue Code made by P.L. 104-7, P.L. 104-188, excluding
5 sections 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
6 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, and changes that
7 indirectly affect the provisions applicable to this subchapter made by P.L. 104-7, P.L.
8 104-188, excluding sections 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L.
9 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L.
10 106-554, apply for Wisconsin purposes at the same time as for federal purposes.

11 SECTION 66. 71.42 (2) (j) of the statutes is amended to read:

12 71.42 (2) (j) For taxable years that begin after December 31, 1995, and before
13 January 1, 1997, "Internal Revenue Code" means the federal Internal Revenue Code
14 as amended to December 31, 1995, excluding sections 103, 104, and 110 of P.L.
15 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
16 103-66, and as amended by P.L. 104-188, excluding sections 1123, 1202, 1204, 1311,
17 and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.
18 105-206 and, P.L. 105-277, and P.L. 106-554, and as indirectly affected by P.L.
19 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L.
20 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
21 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
22 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
23 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123, 1202, 1204, 1311, and
24 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.
25 105-206 and, P.L. 105-277, and P.L. 106-554, except that "Internal Revenue Code"

1 does not include section 847 of the federal Internal Revenue Code. The Internal
2 Revenue Code applies for Wisconsin purposes at the same time as for federal
3 purposes. Amendments to the federal Internal Revenue Code enacted after
4 December 31, 1995, do not apply to this paragraph with respect to taxable years
5 beginning after December 31, 1995, and before January 1, 1997, except that
6 changes to the Internal Revenue Code made by P.L. 104-188, excluding sections
7 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
8 105-33, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, and changes
9 that indirectly affect the provisions applicable to this subchapter made by P.L.
10 104-188, excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L.
11 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and, P.L. 105-277,
12 and P.L. 106-554, apply for Wisconsin purposes at the same time as for federal
13 purposes.

14 **SECTION 67.** 71.42 (2) (k) of the statutes is amended to read:

15 71.42 (2) (k) For taxable years that begin after December 31, 1996, and before
16 January 1, 1998, "Internal Revenue Code" means the federal Internal Revenue Code
17 as amended to December 31, 1996, excluding sections 103, 104, and 110 of P.L.
18 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66
19 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as
20 amended by P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277 and, P.L. 106-36,
21 P.L. 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16, and as indirectly
22 affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L.
23 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and
24 110 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, P.L. 105-34, P.L. 105-206, P.L. 105-277 and, P.L. 106-36, P.L. 106-554, and
4 P.L. 107-16, excluding section 431 of P.L. 107-16, except that "Internal Revenue
5 Code" does not include section 847 of the federal Internal Revenue Code. The
6 Internal Revenue Code applies for Wisconsin purposes at the same time as for federal
7 purposes. Amendments to the federal Internal Revenue Code enacted after
8 December 31, 1996, do not apply to this paragraph with respect to taxable years
9 beginning after December 31, 1996, and before January 1, 1998, except that
10 changes to the Internal Revenue Code made by P.L. 105-33, P.L. 105-34, P.L.
11 105-206, P.L. 105-277 and, P.L. 106-36, P.L. 106-554, and P.L. 107-16, excluding
12 section 431 of P.L. 107-16, and changes that indirectly affect the provisions
13 applicable to this subchapter made by P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L.
14 105-277 and, P.L. 106-36, P.L. 106-554, and P.L. 107-16, excluding section 431 of
15 P.L. 107-16, apply for Wisconsin purposes at the same time as for federal purposes.

16 **SECTION 68.** 71.42 (2) (L) of the statutes is amended to read:

17 71.42 (2) (L) For taxable years that begin after December 31, 1997, and before
18 January 1, 1999, "Internal Revenue Code" means the federal Internal Revenue Code
19 as amended to December 31, 1997, excluding sections 103, 104, and 110 of P.L.
20 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66
21 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as
22 amended by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L. 106-170,
23 P.L. 106-554, P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L. 107-16,
24 and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73,
25 P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding

1 sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66,
2 excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,
3 P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding
4 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191,
5 P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277,
6 P.L. 106-36 and P.L. 106-170, P.L. 106-554, P.L. 106-573, and P.L. 107-16,
7 excluding section 431 of P.L. 107-16, except that "Internal Revenue Code" does not
8 include section 847 of the federal Internal Revenue Code. The Internal Revenue
9 Code applies for Wisconsin purposes at the same time as for federal purposes.
10 Amendments to the federal Internal Revenue Code enacted after December 31, 1997,
11 do not apply to this paragraph with respect to taxable years beginning after
12 December 31, 1997, and before January 1, 1999, except that changes to the Internal
13 Revenue Code made by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and,
14 P.L. 106-170, P.L. 106-554, P.L. 106-573, and P.L. 107-16, excluding section 431 of
15 P.L. 107-16, and changes that indirectly affect the provisions applicable to this
16 subchapter made by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L.
17 106-170, P.L. 106-554, P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L.
18 107-16, apply for Wisconsin purposes at the same time as for federal purposes.

19 **SECTION 69.** 71.42 (2) (m) of the statutes is amended to read:

20 71.42 (2) (m) For taxable years that begin after December 31, 1998, and before
21 January 1, 2000, "Internal Revenue Code" means the federal Internal Revenue Code
22 as amended to December 31, 1998, 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
24 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as
25 amended by P.L. 106-36 and, P.L. 106-170, P.L. 106-230, P.L. 106-519, P.L. 106-554,

1 P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L. 107-16, and as indirectly
2 affected by P.L. 99-514, P.L. 100-203, 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, P.L. 105-277, P.L. 106-36 and, P.L.
9 106-170, P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L. 106-573, and P.L. 107-16,
10 excluding section 431 of P.L. 107-16, except that "Internal Revenue Code" does not
11 include section 847 of the federal Internal Revenue Code. The Internal Revenue
12 Code applies for Wisconsin purposes at the same time as for federal purposes.
13 Amendments to the federal Internal Revenue Code enacted after December 31, 1998,
14 do not apply to this paragraph with respect to taxable years beginning after
15 December 31, 1998, and before January 1, 2000, except that changes to the Internal
16 Revenue Code made by P.L. 106-36 and, P.L. 106-170, P.L. 106-230, P.L. 106-519,
17 P.L. 106-554, P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L. 107-16,
18 and changes that indirectly affect the provisions applicable to this subchapter made
19 by P.L. 106-36 and, P.L. 106-170, P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L.
20 106-573, and P.L. 107-16, excluding section 431 of P.L. 107-16, apply for Wisconsin
21 purposes at the same time as for federal purposes.

22 **SECTION 70.** 71.42 (2) (n) of the statutes is amended to read:

23 71.42 (2) (n) For taxable years that begin after December 31, 1999, and before
24 January 1, 2001, "Internal Revenue Code" means the federal Internal Revenue Code
25 as amended to December 31, 1999, excluding sections 103, 104, and 110 of P.L.

1 102 227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66
2 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as
3 amended by P.L. 106-200, P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L. 106-573,
4 and P.L. 107-16, excluding section 431 of P.L. 107-16, and as indirectly affected by
5 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 1123 (b), 1202 (c), 1204 (f),
10 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
11 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L. 106-170,
12 P.L. 106-200, P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L. 106-573, and P.L.
13 107-16, excluding section 431 of P.L. 107-16, except that "Internal Revenue Code"
14 does not include section 847 of the federal Internal Revenue Code. The Internal
15 Revenue Code applies for Wisconsin purposes at the same time as for federal
16 purposes. Amendments to the federal Internal Revenue Code enacted after
17 December 31, 1999, do not apply to this paragraph with respect to taxable years
18 beginning after December 31, 1999, and before January 1, 2001, except that changes
19 to the Internal Revenue Code made by P.L. 106-200, P.L. 106-230, P.L. 106-519, P.L.
20 106-554, P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L. 107-16, and
21 changes that indirectly affect the provisions applicable to this subchapter made by
22 P.L. 106-200, P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L. 106-573, and P.L.
23 107-16, excluding section 431 of P.L. 107-16, apply for Wisconsin purposes at the
24 same time as for federal purposes.

25 **SECTION 71.** 71.42 (2) (o) of the statutes is created to read:

1 71.42 (2) (o) For taxable years that begin after December 31, 2000, and before
2 January 1, 2002, "Internal Revenue Code" means the federal Internal Revenue Code
3 as amended to December 31, 2000, excluding sections 103, 104, and 110 of P.L.
4 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,
5 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104 188, and as
6 amended by P.L. 107-16, excluding section 431 of P.L. 107-16, and P.L. 107-22, and
7 as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.
8 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections
9 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding
10 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.
11 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections
12 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.
13 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105 206, P.L. 105-277, P.L.
14 106-36, P.L. 106-170, P.L. 106-200, P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L.
15 106-573, P.L. 107-16, excluding section 431 of P.L. 107-16, and P.L. 107-22, except
16 that "Internal Revenue Code" does not include section 847 of the federal Internal
17 Revenue Code. The Internal Revenue Code applies for Wisconsin purposes at the
18 same time as for federal purposes. Amendments to the federal Internal Revenue
19 Code enacted after December 31, 2000, do not apply to this paragraph with respect
20 to taxable years beginning after December 31, 2000, and before January 1, 2002,
21 except that changes to the Internal Revenue Code made by P.L. 107-16, excluding
22 section 431 of P.L. 107-16, and P.L. 107-22, and changes that indirectly affect the
23 provisions applicable to this subchapter made by P.L. 107-16, excluding section 431
24 of P.L. 107-16, and P.L. 107-22, apply for Wisconsin purposes at the same time as
25 for federal purposes.

1 **SECTION 72.** 71.42 (2) (p) of the statutes is created to read:

2 71.42 (2) (p) For taxable years that begin after December 31, 2001, "Internal
3 Revenue Code" means the federal Internal Revenue Code as amended to
4 December 31, 2001, excluding sections 103, 104, and 110 of P.L. 102-227, sections
5 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),
6 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and section 431 of P.L. 107-16,
7 and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73,
8 P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding
9 sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66,
10 excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66,
11 P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding
12 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191,
13 P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277,
14 P.L. 106-36, P.L. 106-170, P.L. 106-200, P.L. 106-230, P.L. 106-519, P.L. 106-554,
15 P.L. 106-573, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, and P.L.
16 107-22, except that "Internal Revenue Code" does not include section 847 of the
17 federal Internal Revenue Code. The Internal Revenue Code applies for Wisconsin
18 purposes at the same time as for federal purposes. Amendments to the federal
19 Internal Revenue Code enacted after December 31, 2001, do not apply to this
20 paragraph with respect to taxable years beginning after December 31, 2001.

21 **SECTION 73.** 71.45 (2) (a) 13. of the statutes is renumbered 71.45 (2) (a) 13. a.
22 and amended to read:

23 71.45 (2) (a) 13. a. By For taxable years that begin after December 31, 2000,
24 and before January 1, 2002, by adding or subtracting, as appropriate, the difference
25 between the depreciation deduction under the federal Internal Revenue Code as

1 amended to December 31, ~~1999~~ 2000, and the depreciation deduction under the
2 federal Internal Revenue Code in effect for the taxable year for which the return is
3 filed, so as to reflect the fact that the insurer may choose between these 2 deductions,
4 except that property first placed in service by the taxpayer on or after
5 January 1, 1983, but before January 1, 1987, that, under s. 71.04 (15) (b) and (br),
6 1985 stats., is required to be depreciated under the Internal Revenue Code as
7 amended to December 31, 1980, and property first placed in service in taxable year
8 1981 or thereafter but before January 1, 1987, that, under s. 71.04 (15) (bm), 1985
9 stats., is required to be depreciated under the Internal Revenue Code as amended
10 to December 31, 1980, shall continue to be depreciated under the Internal Revenue
11 Code as amended to December 31, 1980.

12 **SECTION 74.** 71.45 (2) (a) 13. b. of the statutes is created to read:

13 71.45 (2) (a) 13. b. For taxable years that begin after December 31, 2001, by
14 adding or subtracting, as appropriate, the difference between the depreciation
15 deduction under the federal Internal Revenue Code as amended to December 31,
16 2001, and the depreciation deduction under the federal Internal Revenue Code in
17 effect for the taxable year for which the return is filed, so as to reflect the fact that
18 the insurer may choose between these 2 deductions, except that property first placed
19 in service by the taxpayer on or after January 1, 1983, but before January 1, 1987,
20 that, under s. 71.04 (15) (b) and (br), 1985 stats., is required to be depreciated under
21 the Internal Revenue Code as amended to December 31, 1980, and property first
22 placed in service in taxable year 1981 or thereafter but before January 1, 1987, that,
23 under s. 71.04 (15) (bm), 1985 stats., is required to be depreciated under the Internal
24 Revenue Code as amended to December 31, 1980, shall continue to be depreciated
25 under the Internal Revenue Code as amended to December 31, 1980.

1

~~SECTION 9144~~ Nonstatutory provisions; revenue

2

(1) ADOPTION OF FEDERAL INCOME TAX LAW CHANGES. Changes to the Internal Revenue Code made by P.L. 106-554 apply to the definitions of the "Internal Revenue Code" in chapter 71 of the statutes at the time that those changes apply for federal income tax purposes.

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6

~~SECTION 9344~~ Initial applicability; revenue

7

(1) DEPRECIATION DEDUCTIONS.

8

(a) The renumbering and amendment of sections 71.01 (7r), 71.26 (3) (y), 71.365 (1m), and 71.45 (2) (a) 13. of the statutes first applies to property placed in service in taxable years beginning on January 1, 2001.

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(b) The treatment of sections 71.01 (7r) (b), 71.26 (3) (y) 2., 71.365 (1m) (b), and 71.45 (2) (a) 13. b. of the statutes first applies to property placed in service in taxable years beginning on January 1, 2002.

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14

(END)

Basford, Sarah

From: Basford, Sarah
Sent: Tuesday, February 12, 2002 9:21 AM
To: Nowlan, Andrew
Subject: LRB -4811/1 (attached)



01-4811/1

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