

1995 ASSEMBLY BILL 545

September 6, 1995 - Introduced by Representatives HARDSORF, URBAN, PROSSER, JENSEN, FREESE, BRANCEL, UNDERHEIM, ALBERS, OURADA, GROTHMAN, PORTER, HAHN, VRAKAS, DUFF, MUSSER, AINSWORTH, WALKER, GROBSCHMIDT, ZIEGELBAUER, SCHNEIDERS, OLSEN, LADWIG, OTT, BRANDEMUEHL, WARD, GREEN, F. LASEE, SERATTI, KREIBICH, PLACHE, GOETSCH, GARD, NASS, KAUBERT, SILBAUGH, LA FAVE and LEHMAN, cosponsored by Senators BUETTNER, ROSENZWEIG, DARLING, SCHULTZ, PETAK and PANZER. Referred to Joint survey committee on Tax Exemptions.

AN ACT to create 71.05 (6) (a) 19., 71.05 (6) (b) 21., 71.07 (5) (a) 7., 71.10 (4) (j), 71.10 (10) and 632.898 of the statutes; relating to: tax-exempt individual employe medical savings accounts established by employers or self-employed persons with the difference between the cost of catastrophic and comprehensive health care coverage.

that includes a policy or plan with cost-sharing provisions of at least \$1,500 for single coverage or at least \$3,000 for family coverage (high cost-share plan)

the federal government does not extend federal medical savings accounts beyond 2002, temporary of high cost-share plan

~~Analysis of the Legislative Reference Bureau~~

This bill provides that if an employer offers its employees a choice of catastrophic or comprehensive health care coverage, the employee may establish a medical savings account (account) for any employee who chooses the catastrophic coverage option. If the employer establishes an account, the employer must deposit in the account the difference between what the employer pays for the catastrophic coverage and what the employer would pay for comprehensive coverage. The account consists exclusively of those deposits and any interest or other gain on the deposits. The account is the property of the employee so that the employee does not lose the account if he or she changes jobs. If the employee does change jobs and his or her new employer also offers employees a choice between catastrophic and comprehensive health care coverage and the employee chooses catastrophic, that employer may also make deposits in the account of the difference in the cost of the 2 types of coverage. The bill also provides that a self-employed person who purchases catastrophic coverage may establish a medical savings account for himself or herself and deposit into it the difference between what he or she pays for the catastrophic coverage and what he or she would pay for comprehensive health care coverage. The account consists of those deposits and any interest or other gain on the deposits. During the life of the employee or self-employed person, all moneys in the account may be used only to pay medical, dental or long-term care expenses of, or to purchase long-term care insurance for the employee, or self-employed person, or a spouse or dependent of the employee or self-employed person.

a more expensive health care plan

high cost-share plan the most expensive plan that the employer provides that is not a high cost-share plan, up to \$2,000 per year for the employee and an additional \$2,000 per year

INSERT X, 3 of 3

Certain amounts that are contributed to such an account on behalf of an employee or self-employed person, his or her spouse, and any other dependents are exempt from income taxation. All gains that accrue to such an account are also tax-exempt if the gains are redeposited into the account. The maximum tax-exempt amount that may be contributed to the account each year is \$2,000 for an individual, \$2,000 for his or her spouse, and \$1,000 for each other dependent. These maximum amounts will be increased each year based on increases in the consumer price index.

If any amount is withdrawn from the account and is used for any purpose other than the allowed purposes, the account holder must pay a penalty equal to 10% of any accumulated interest, dividends or other gain that has accrued to the account from the time that the account was opened, except that this provision does not apply if the account holder or his or her spouse reaches the age of 59.5 years, if the balance in the account exceeds \$100,000, or after the death of the account holder. In addition, the account holder must pay taxes on any interest, dividends, or other gain that accrues to the account in the year in which an improper withdrawal occurs.

the amount that is withdrawn and that is used for a purpose other than an allowed purpose

~~This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to the bill.~~

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

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

SECTION 1. 71.05 (6) (a) 19. of the statutes is created to read:

71.05 (6) (a) 19. Any accumulated interest, dividends or other gain that accrues from an account described under s. 632.898 during the taxable year in which a withdrawal occurs from such an account if any amount of the money or other assets in the account is withdrawn for any reason other than the payment of medical, dental or long-term medical care expenses or the purchase of long-term care insurance, as defined in s. 146.91 (1), for the account holder, his or her spouse and all nonspouse dependents as defined in s. 632.898 (1), except that this subdivision does not apply after the death of the account holder.

SECTION 2. 71.05 (6) (b) 21. of the statutes is created to read:

71.05 (6) (b) 21. Any amount that is deposited by an employer on behalf of that employer's employee, or by a self-employed person on his or her own behalf, in an

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Sub-
Sub head (I)

Prescription drug rebates and reduced charges

INSERT ANALYSIS Y

Currently, under the program of prescription drug assistance for elderly persons, moneys from rebate agreements negotiated with prescription drug manufacturers that sell drugs for prescribed use in this state are used to reimburse pharmacies and pharmacists that are required, under the program, to charge eligible persons reduced rates for prescription drugs.

This bill authorizes the department of administration (DOA) or an entity with which DOA contracts, to assist health care providers, insurers, or self-insurers in this state or in conjunction with associations of health care providers, insurers, or self-insurers in states other than Wisconsin to negotiate with manufacturers or labelers rebate agreements or to develop in-state or multistate purchasing groups to negotiate reduced charges for prescription drugs that are produced by the manufacturers or repackaged by the labelers and sold for prescribed use. Under the bill, DOA must submit a report by January 1, 2003, that identifies (1) the participation by health care providers, insurers, and self-insurers in negotiating rebate agreements and developing in-state or multistate purchasing groups and (2) strategies that DOA proposes to pursue to reduce costs for prescription drugs. DOA also must submit a report by January 1, 2005, that specifies the status, including success or lack of success, in assisting health care providers, insurers, or self-insurers to negotiate rebate agreements or reduce charges for prescription drugs. Both reports must be submitted to appropriate standing committees of the legislature, to the joint committee on finance, and to the governor.

(end of analysis Y)

- 1 SECTION 1. 16.735 of the statutes is created to read:
- 2 16.735 Negotiations for purchase of prescription drugs; rebates. (1)
- 3 In this section:
- 4 (a) "Health care provider" has the meaning given in s. 146.81 (2).
- 5 (b) "Insurer" has the meaning given in s. 600.02 (27). 632.745 (15)
- 6 (c) "Labeler" means a person that receives prescription drugs from a
- 7 manufacturer or wholesaler, repackages the prescription drugs for later retail sale,
- 8 and has a labeler code issued by the federal food and drug administration under 21
- 9 CFR 207.20 (b).
- 10 (d) "Manufacturer" means a manufacturer of prescription drugs and includes
- 11 a subsidiary or affiliate of the manufacturer.





Insert Analysis Z-1 10/2

to an insured who uses the insurer's internal grievance procedure until the insurer sends notice of the disposition of the internal grievance

2001 BILL

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AN ACT to amend 632.835 (2) (b); and to create 632.835 (2) (bg) of the statutes;
relating to: providing notice of the right to independent review.

Analysis by the Legislative Reference Bureau

Under current law, an insured under a health benefit plan has the right to obtain, from an independent review organization certified by the commissioner of insurance, an independent review of certain denials of coverage (adverse determinations and experimental treatment determinations). Whenever an adverse determination or experimental treatment determination is made, the insurer is required to provide notice to the insured of his or her right to obtain an independent review, of how to request the review, and of the time within which the review must be requested and is required to provide a current listing of certified independent review organizations.

This bill provides that an insurer is not required to provide the notice about the independent review procedure ~~for adverse determination or experimental treatment determinations~~ if the health benefit plan issued by the insurer contains a description of the procedure, including a description of the insured's right to obtain an independent review, how to request the review, the time within which the review must be requested, and how to obtain a current listing of certified independent review organizations. In addition, the insurer must provide on its explanation of benefits form a reference to the section of the policy or certificate that contains the description. (An insurer sends its explanation of benefits form to an

Notice of independent review (anal title sub sub)



BILL

Insurance 2-1 cont'd 2002

insured after the insured has received health care services to provide information about the extent to which the insurance covered the services.)

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

SECTION 1. 632.835 (2) (b) of the statutes, as created by 1999 Wisconsin Act 155,

is amended to read:

632.835 (2) (b) Whenever ~~the benefits provided in par. (b)~~ ^{If} an adverse determination or an experimental treatment determination is made, the insurer involved in the determination shall provide notice to the insured of the insured's right to obtain the independent review required under this section, how to request the review, and the time within which the review must be requested. The notice shall include a current listing of independent review organizations certified under sub. (4). An independent review under this section may be conducted only by an independent review organization certified under sub. (4) and selected by the insured.

SECTION 2. 632.835 (2) (bg) of the statutes is created to read:

632.835 (2) (bg) ~~the~~ insurer is not required to provide the notice under par. (b) if all of the following apply:

1. The health benefit plan issued by the insurer contains a description of the independent review procedure under this section, including an explanation of the insured's rights under par. (d), how to request the review, the time within which the review must be requested, and how to obtain a current listing of independent review organizations certified under sub. (4).

2. The insurer includes on its explanation of benefits form a reference to the section of the policy or certificate that contains the description of the independent review procedure.

Insert 8-7

To an insured who uses the internal grievance procedure under s. 632.83

and insurance 2-1

Notwithstanding par. (b), an

until the insurer sends it notice of the disposition of the internal grievance





2001 BILL

Insert Analysis Z-2 1082

1 AN ACT to amend 609.10 (1) (ac) (intro.), 609.10 (1) (ac) 2, 609.10 (1) (am), 609.10
 2 (1) (b), 609.10 (1) (c) and 609.20 (1m) (d) of the statutes; relating to:
 3 eliminating a requirement that an employer offering a preferred provider plan
 4 also offer a point-of-service option plan.

Analysis by the Legislative Reference Bureau

Under current law, an employer with at least 25 full-time employees that offers to any of those employees a health maintenance organization or a preferred provider plan that provides comprehensive health care services must also offer to the employees a standard plan that provides at least substantially equivalent coverage of health care expenses and a point-of-service option plan. A health maintenance organization is defined as a health care plan that provides its enrollees with comprehensive health care services performed by providers participating in the plan. A preferred provider plan is defined as a health care plan that, without referral, provides its enrollees with comprehensive or a limited range of health care services, regardless of whether those services are performed by participating or nonparticipating providers. A point-of-service option plan is defined as a health maintenance organization or preferred provider plan that permits an enrollee to obtain covered health care services from a provider that is not a participating provider of the health maintenance organization or preferred provider plan.

This bill eliminates the requirement that an employer that offers a preferred provider plan must also offer a point-of-service option plan; and redefines a point-of-service option plan, for consistency, as a health maintenance organization

Preferred provider plans
(anal till subsubt)



BILL

Ins Anal 7-2 contd

282

that permits an enrollee to obtain covered health care services from a provider that is not a participating provider of the health maintenance organization. Under the bill, only an employer that offers a health maintenance organization must also offer a point-of-service option plan. A standard plan, however, must still be offered by an employer that offers either a health maintenance organization or a preferred provider plan that provides comprehensive health care services.

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

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

SECTION 1. 609.10 (1) (ac) (intro.) of the statutes, as created by 1999 Wisconsin Act 9, is amended to read:

609.10 (1) (ac) (intro.) In this section, "point-of-service option plan" means a health maintenance organization ~~or preferred provider plan~~ that permits an enrollee to obtain covered health care services from a provider that is not a participating provider of the health maintenance organization ~~or preferred provider plan~~ under all of the following conditions:

SECTION 2. 609.10 (1) (ac) 2. of the statutes, as created by 1999 Wisconsin Act 9, is amended to read:

609.10 (1) (ac) 2. The health maintenance organization ~~or preferred provider plan~~ is required to pay the nonparticipating provider only the amount that the health maintenance organization ~~or preferred provider plan~~ would pay a participating provider for those health care services.

SECTION 3. 609.10 (1) (am) of the statutes, as affected by 1999 Wisconsin Act 9, is amended to read:

609.10 (1) (am) Except as provided in subs. (2) to (4), an employer that offers any of its employees a health maintenance organization ~~or a preferred provider plan~~ that provides comprehensive health care services shall also offer the employees a

TAXEM
1803
Insert 8-6

Ins Anal 7-2



BILL

Ins 8-6 cont'd 2503

1 standard plan that provides at least substantially equivalent coverage of health care
2 expenses and a point-of-service option plan, as provided in pars. (b) and (c). Except
3 as provided in subs. (2) to (4), an employer that offers any of its employees a preferred
4 provider plan that provides comprehensive services shall also offer the employees a
5 standard plan that provides at least substantially equivalent coverage of health care
6 expenses, as provided in pars. (b) and (c).

7 **SECTION 4.** 609.10 (1) (b) of the statutes, as affected by 1999 Wisconsin Act 9,
8 is amended to read:

9 609.10 (1) (b) At least once annually, the employer shall provide the employees
10 the opportunity to enroll in the any other health care plans plan that the employer
11 is required to offer under par. (am).

12 **SECTION 5.** 609.10 (1) (c) of the statutes, as affected by 1999 Wisconsin Act 9,
13 is amended to read:

14 609.10 (1) (c) The employer shall provide the employees adequate notice of the
15 opportunity to enroll in the any other health care plans plan that the employer is
16 required to offer under par. (am) and shall provide the employees complete and
17 understandable information concerning the differences between or among the
18 health maintenance organization or preferred provider plan, the standard plan and
19 the point-of-service option plan care plans offered by the employer.

20 **SECTION 6.** 609.20 (1m) (d) of the statutes, as affected by 2001 Wisconsin Act
21 16, is amended to read:

22 609.20 (1m) (d) To ensure that employees offered a health maintenance
23 organization or a preferred provider plan that provides comprehensive services
24 under s. 609.10 (1) (am) are given adequate notice of the opportunity to enroll, as well
25 as complete and understandable information under s. 609.10 (1) (c) concerning the



BILL

Ins 8-6 cont'd 3 of 3

1 differences between or among the health maintenance organization or preferred
2 provider plan, the standard plan and the point-of-service option plan, as defined in
3 s. 609.10 (1) (ae) care plans offered by the employer, including differences among
4 providers available and differences resulting from special limitations or
5 requirements imposed by an institutional provider because of its affiliation with a
6 religious organization.

(end of ins 8-6)

SECTION 7. Initial applicability.

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first applies to all of the following:

(a) Except as provided in paragraph (b), employers that offer preferred provider plans that are issued or renewed on the effective date of this paragraph.

(b) Employers that offer preferred provider plans that cover employees who are affected by a collective bargaining agreement containing provisions inconsistent with this act and that are issued or renewed on the earlier of the following:

1. The day on which the collective bargaining agreement expires.
2. The day on which the collective bargaining agreement is extended, modified, or renewed.

The treatment of section 609.10(1)(ac)(intro.) and 2., (am), (b), and (c) and (im)(d) of the statutes

SECTION 8. Effective date.

Insert 22-8

~~The act~~ effect on the first day of the 6th month beginning after publication.

(END of ins 22-8)

The treatment of section 609.10(1)(ac)(intro.) and 2., (am), (b), and (c) and (im)(d) of the statutes and SECTION X(x) of this act take

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(see p 21)

(see ins 22-3 above)

Insert 22-3
PREFERRED PROVIDER PLANS.

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INSERT ACT 453, A
2003 P 2082

SECTION 3. 71.07 (5) (a) of the statutes is created to read:

71.07 (5) (a) The amount claimed as a deduction for unreimbursed medical care expenses under section 213 (a) of the internal revenue code to the extent that the funds used to pay for the unreimbursed expenses for which the deduction was claimed were withdrawn from an account described under s. 71.05 (6) (b).

SECTION 4. 71.10 (4) (j) of the statutes is created to read: *Sec. 71.83(1)(c); 71.83(1)(c).*

71.10 (4) (j) Any amount of money or other assets computed under s. 71.83 (1) (c).

SECTION 5. 71.83 (1) (c) of the statutes is created to read:

71.83 (1) (c) *Medical savings account with rollover.*

Except as provided in subd. 1., if a person is required to add any amount to federal adjusted gross income under s. 71.05 (6) (a), the person shall pay an amount equal to 10% of the amount that is withdrawn from the account that results in a person making a payment under s. 71.05 (6) (a).

The penalty under subd. 1. does not apply and up to 25% of the balance in the account described under s. 632.898 may be withdrawn each year if any of the following occurs:

- a. The account holder or his or her spouse reaches the age of 59.5 years during the year in which the withdrawal occurs.
- b. The balance in the account exceeds \$100,000.

SECTION 5c. 632.745 (1) 2 of the statutes is created to read:

632.745 (1) 2. Notwithstanding subd. 1. b. and c., "qualifying coverage" does not include a high cost-share health plan, as defined in s. 632.898 (1) (c), that is linked to a medical savings account, as described in s. 632.898, if the employer that provides the individual's new coverage offers its eligible employees a choice of health benefit plan options that includes a high cost-share health plan, as defined in s. 632.898 (1) (c), and the individual's new coverage is not a high cost-share health plan.

SECTION 6. 632.745 (1) 2 of the statutes as created by 1995 Wisconsin Act 1, (this act), is repealed.

SECTION 6. 632.898 of the statutes is created to read: 632.898 Medical savings accounts. (1) In this section:

- (a) "Account administrator" means any of the following:
 1. A financial institution, the accounts of which are insured by the Federal Deposit Insurance Corporation or the national credit union share insurance fund.
 2. A trust company bank organized under ch. 223.
 3. An insurer authorized to do business in this state.
 4. A broker-dealer licensed under subch. III of ch. 551.
 5. A plan administrator licensed under ch. 633.

6. A certified public accountant licensed to practice in this state.

7. An employer that has a self-insured health plan.

8. An employer that participates in the program under this section.

~~(b) "Dependent" has the meaning given in s. 635.02.~~

(b) "High cost-share health plan" means any health insurance policy, certificate or contract with deductibles, copayments or other cost-sharing provisions of at least \$1,500 if the insured's coverage is single or at least \$3,000 if the insured's coverage is family.

(2) (a) An employer that, in providing health insurance coverage for its employees, offers its employees a choice of health benefit plan options that includes a high cost-share health plan may establish a medical savings account for an employee who chooses a high cost-share health plan.

(b) The medical savings account shall be established as a separate account in the employee's name and shall be the employee's property. The account may be established with any account administrator that is approved by the commissioner to administer medical savings accounts. The commissioner shall approve an account administrator to administer medical savings accounts if the account administrator insures the principal of the medical savings account against loss from any cause, including loss due to market fluctuation. Whenever an employer establishes a medical savings account on behalf of an employee, the employer shall notify the department of revenue, in the manner prescribed by the department of revenue, of the establishment of the account, the employee's name and social security number, the name and address of the account administrator and any other information that the department of revenue may require.

(c) Only an employer under par. (a), whether that employer established the account or is a succeeding employer of an employee for whom a medical savings account has been established, may make deposits in the medical savings account of an employee who chooses a high cost-share health plan. Except as provided in par. (d), such an employer shall deposit in the account the difference between what the employer pays on behalf of the employee, or the employee and his or her dependents, for the high cost-share health plan and what the employer would pay on behalf of the employee, or the employee and his or her dependents, for the most expensive health benefit plan that the employer offers that is not a high cost-share health plan. Except as provided in sub. (4) (a), no other deposits may be made in the account.

(d) An employer that establishes a medical savings account on behalf of an employee is not required to deposit in the account more than \$2,000 per year for the employee if the employee's coverage is single, or more than \$2,000 per year for the employee, \$2,000 per year for the

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employee's spouse or \$1,000 per year for each nonspouse dependent of the employe if the employe's coverage is family. Beginning in 1998, the amounts specified in this paragraph shall be increased each year in the manner provided in s. 71.05 (6) (b) ~~34~~ 34

(e) An employe who chooses a high cost-share health plan and for whom a medical savings account is established is not eligible for coverage under a different health benefit plan offered by the employer before the end of the policy term of the high cost-share health plan.

(3) (a) A self-employed person who purchases a high cost-share health plan may establish a medical savings account in his or her name. Upon establishing a medical savings account, a self-employed person shall notify the department of revenue, in the manner prescribed by the department of revenue, of the establishment of the account, the self-employed person's name and social security number, the name and address of the account administrator and any other information that the department of revenue may require.

(b) Except as provided in par. (c), a self-employed person who establishes a medical savings account shall deposit in the account the difference between what the self-employed person pays for the high cost-share health plan, including coverage for his or her dependents, and what the self-employed person would pay for a more expensive health benefit plan, including coverage for his or her dependents. Except as provided in sub. (4) (b), no other deposits may be made in the account.

(c) A self-employed person who establishes a medical savings account is not required to deposit in the account more than \$2,000 per year for himself or herself if the self-employed person's coverage is single, or more than \$2,000 per year for himself or herself, \$2,000 per year for his or her spouse or \$1,000 per year for each nonspouse dependent if the self-employed person's coverage is family. Beginning in 1998, the amounts specified in this paragraph shall be increased each year in the manner provided in s. 71.05 (6) (b) ~~34~~ 34

(4) (a) If an employe with a medical savings account under this section becomes self-employed and purchases a high cost-share health plan, he or she may make deposits in the account as provided in sub. (3).

(b) If a self-employed person with a medical savings account under this section becomes employed by an employer described in sub. (2) (a) and chooses a high cost-share health plan, the employer may make deposits in the account as provided in sub. (2).

(5) (a) Amounts deposited in an account under this section and any interest, dividends or other gain that accrues on amounts deposited in the account may be used only for any of the following:

1. To pay expenses for medical care, as defined in 26 USC 213 (d) (1) and as limited in 26 USC 213 (b), including amounts treated as paid for medical care under 26 USC 213 (d) (2).

2. To pay long-term care expenses of the employe or self-employed person or any of the employe's or self-employed person's dependents.

3. To purchase a long-term care insurance policy for the employe or self-employed person or any of the employe's or self-employed person's dependents.

(b) An employe or self-employed person with a medical savings account shall provide information about the use of the account funds, in the manner prescribed by the department of revenue, in conjunction with the filing of his or her Wisconsin income tax return.

(c) Paragraph (a) does not apply after the death of the employe or self-employed person.

(6) (a) A person that provides medical care, long-term care or a long-term care insurance policy, the cost of which is to be paid with funds in a medical savings account, shall bill the employe or self-employed person who is the holder of the account directly, rather than billing the account administrator of the medical savings account.

(b) The account administrator of a medical savings account shall do all of the following:

1. Permit withdrawals from the account at least once a month.

2. Issue an account statement to the holder of the account at least quarterly.

(7) If the federal government enacts legislation providing for a federal income tax exemption for amounts deposited in an account established under this section and for any interest, dividends or other gain that accrues in the account if redeposited in the account, the commissioner shall conduct a study, to be completed within 4 years after the enactment of the federal legislation, of individuals and groups that had coverage under a high cost-share health plan and that terminated that coverage in order to enroll in a health benefit plan that was not a high cost-share health plan. If as a result of the study the commissioner determines that s. 632.745 (1) (f) 2. is not necessary for the purpose for which it was intended, the commissioner shall certify that determination to the revisor of statutes. Upon the certification, the revisor of statutes shall publish notice in the Wisconsin administrative register of the determination, the date of the certification and that after 30 days after the date of the certification s. 632.745 (1) (f) 2. is not effective.

SECTION 7. 635.02 (5m) of the statutes is renumbered 635.02 (5m) (a).

SECTION 9. 635.02 (5m) (b) of the statutes is created to read:

635.02 (5m) (b) Notwithstanding par. (a) 2. and 3., "qualifying coverage" does not include a high cost-share health plan, as defined in s. 632.898 (1) (c), that is linked to a medical savings account, as described in s. 632.898, if any of the following applies:

1. The health benefit plan that is the individual's new coverage and the health benefit plan that is the individu-

ASSEMBLY BILL 819

1 ~~71.45 (2) (a) 13. b. For taxable years that begin after December 31, 2001, by~~
 2 ~~adding or subtracting, as appropriate, the difference between the depreciation~~
 3 ~~deduction under the federal Internal Revenue Code as amended to December 31,~~
 4 ~~2001, and the depreciation deduction under the federal Internal Revenue Code in~~
 5 ~~effect for the taxable year for which the return is filed, so as to reflect the fact that~~
 6 ~~the insurer may choose between these 2 deductions, except that property first placed~~
 7 ~~in service by the taxpayer on or after January 1, 1983, but before January 1, 1987,~~
 8 ~~that, under s. 71.04 (15) (b) and (br), 1985 stats., is required to be depreciated under~~
 9 ~~the Internal Revenue Code as amended to December 31, 1980, and property first~~
 10 ~~placed in service in taxable year 1981 or thereafter but before January 1, 1987, that,~~
 11 ~~under s. 71.04 (15) (bm), 1985 stats., is required to be depreciated under the Internal~~
 12 ~~Revenue Code as amended to December 31, 1980, shall continue to be depreciated~~
 13 ~~under the Internal Revenue Code as amended to December 31, 1980.~~

SECTION 75. Nonstatutory provisions.

14 (1) ADOPTION OF FEDERAL INCOME TAX LAW CHANGES. Changes to the Internal
 15 Revenue Code made by P.L. 106-554 apply to the definitions of the "Internal Revenue
 16 Code" in chapter 71 of the statutes at the time that those changes apply for federal
 17 income tax purposes.
 18

SECTION 76. Initial applicability.

19 (1) DEPRECIATION DEDUCTIONS.
 20 (a) The renumbering and amendment of sections 71.01 (7r), 71.26 (3) (y), 71.365
 21 (1m), and 71.45 (2) (a) 13. of the statutes first applies to property placed in service
 22 in taxable years beginning on January 1, 2001.
 23

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INS 22-4

al's previous coverage are provided by the same small employer.

2. The health benefit plan that is the individual's new coverage is provided by a small employer that is not the same employer that provided the health benefit plan that was the individual's previous coverage, the small employer that provides the individual's new coverage offers its eligible employees a choice of health benefit plan options that includes a high cost-share health plan, as defined in s. 632.898 (1) (c), and the individual's new coverage is not a high cost-share health plan.

SECTION 11. Initial applicability.

TAX-EXEMPT MEDICAL SAVINGS ACCOUNTS.

✓ ✓
✓ ✓
✓
24 The treatment of sections 71.05 (6) (a) and (b), 71.07 (5) (a), 71.83 (1) (c) and 632.898 of the statutes, the renumbering of section 635.02 (3m) of the statutes and the creation of section 635.02 (3m) (b) of the statutes first apply to taxable years beginning on January 1 of the year in which the federal

does not extend the availability of
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government ~~enacts a broad-based~~ medical savings account program as certified by the secretary of revenue.

(b) The creation of section 632.745 (1) (f) 2. of the statutes first applies to taxable years beginning on January 1, 1997, or to taxable years beginning on January 1 of the year in which the federal government enacts a broad-based medical savings account program, as certified by the secretary of revenue, whichever is later.

SECTION 12. Effective dates. This act takes effect on the day after publication, except as follows:

- (1) QUALIFYING COVERAGE DEFINITION.
 - (a) The creation of section 632.745 (1) (f) 2. of the statutes takes effect on May 1, 1997.
 - (b) The repeal of section 632.745 (1) (f) 2. of the statutes takes effect on the 31st day after the day on which the commissioner of insurance certifies to the revisor of statutes under section 632.898 (7) of the statutes, as created by this act, that section 632.745 (1) (f) 2. of the statutes, as created by this act, is not necessary for the purpose for which it was intended.

Secretary of revenue certifies that the

under 26 USC 220

applies

BILL

Inset 22-7

CS NOTICE OF INDEPENDENT REVIEW

1

~~SECTION 3. Effective date.~~

2

(1) ~~This act~~ takes effect on the date stated in the notice published by the commissioner of insurance in the Wisconsin Administrative Register under section 632.835 (8) of the statutes.

3

4

5

(END of ins 22-7)

The treatment of section 632.835 (2)(b) and (bq) of the statutes

INSERT
ACT 453 A
~~1088~~

Date of enactment: June 26, 1996
Date of publication*: July 10, 1996

1995 Assembly Bill 545

1995 WISCONSIN ACT 453

~~AN ACT to repeal 632.745 (1) (f) 2., to renumber 635.02 (5m), and to create 71.05 (6) (a) 19., 71.05 (6) (b) 22., 71.07 (5) (a) 7., 71.10 (4) (i), 71.83 (1) (c), 632.745 (1) (1) 2., 632.898 and 635.02 (5m) (b) of the statutes, relating to tax-exempt individual employee medical savings accounts established by employers or self-employed persons with the difference between the cost of low-cost, high cost-share health care coverage and more costly health care coverage, excluding coverage that is linked to a medical savings account from certain coverage portability provisions, and granting rule-making authority.~~

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

SECTION 1. 71.05 (6) (a) ~~19.~~²¹ of the statutes is created to read:

71.05 (6) (a) ~~19.~~²¹ Any principal that is withdrawn, and any accumulated interest, dividends or other gain that accrues, from an account described under s. 632.898 during the taxable year in which a withdrawal occurs from such an account if any amount of the money or other assets in the account is withdrawn for any reason other than the payment of medical care expenses or long-term care expenses ~~on the purchase of long-term care insurance as defined in s. 146.91 (10)~~ for the account holder, his or her spouse and all nonspouse dependents, as defined in s. 632.898 (1) (b), except that this subdivision does not apply after the death of the account holder.

SECTION 2. 71.05 (6) (b) ~~22.~~³⁴ of the statutes is created to read:

71.05 (6) (b) ~~22.~~³⁴ Any amount that is deposited by an employer on behalf of that employer's employee, or by a self-employed person on his or her own behalf, in an account described under s. 632.898, up to \$2,000 each year for an individual, up to \$2,000 each year for his or

her spouse and up to \$1,000 each year for each nonspouse dependent, as defined in s. 632.898 (1) (b), and any interest, dividends or other gain that accrues in the account if the interest, dividends or other gain is redeposited in the account, if the account is used exclusively to pay the medical care expenses and long-term care expenses of the individual, his or her spouse and each minor dependent ~~or to purchase long-term care insurance, as defined in s. 146.91 (10) for such individuals.~~ The maximum amount of a deposit to an account that is created under this subdivision shall be increased each year ~~beginning in 1998~~ ^{For taxable years beginning after December 31, 2003,} by a percentage equal to the percentage change between the U.S. consumer price index for all urban consumers, U.S. city average, for the month of ~~June of the previous year~~ ^{August 2002} and the U.S. consumer price index for all urban consumers, U.S. city average, for the month of ~~June of the previous year~~ ^{August 2002}, as determined by the U.S. department of labor. The revised amounts shall be rounded to the nearest whole number. The department of revenue shall adopt by rule the changes in dollar amounts required under this subdivision every year, and incorporate the changes in the income tax forms and instructions.

~~Section 991.14, Wisconsin Statutes 1995-96: Effective date of acts. Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated by the secretary of state (the date of publication may not be more than 10 working days after the date of enactment).~~

→ or, if the revised amount is not a whole number and is a multiple of \$0.50, such an amount shall be rounded to the next higher whole number

\$0.50



INSERT ACT 453, v. 2 p. 2082

it is the number "nine"

SECTION 3. 71.07 (5) (a) of the statutes is created to read:

71.07 (5) (a) The amount claimed as a deduction for unreimbursed medical care expenses under section 213 (a) of the internal revenue code to the extent that the funds used to pay for the unreimbursed expenses for which the deduction was claimed were withdrawn from an account described under s. 71.05 (6) (b) 34

~~SECTION 4. 71.83 (1) (c) of the statutes is created to read: Sec. RN: 71.83(1)(c); 71.83(1)(c).~~

~~71.83 (1) (c) Any amount of money or other assets computed under s. 71.89 (1) (c) are~~

SECTION 5. 71.83 (1) (c) of the statutes is created to read:

71.83 (1) (c) ~~Medical savings account withdrawals.~~ Except as provided in subd. 2, if a person is required to add any amount to federal adjusted gross income under s. 71.05 (6) (a), the person shall pay an amount equal to 10% of the amount that is withdrawn from the account that results in a person making a payment under s. 71.05 (6) (a) 21

3. The penalty under subd. 1 does not apply and up to 25% of the balance in the account described under s. 632.898 may be withdrawn each year if any of the following occurs:

- a. The account holder or his or her spouse reaches the age of 59.5 years during the year in which the withdrawal occurs.
- b. The balance in the account exceeds \$100,000.

SECTION 5c. 632.745 (1) (f) 2. of the statutes is created to read:

632.745 (1) (f) 2. Notwithstanding subd. 1. b. and c., "qualifying coverage" does not include a high cost-share health plan, as defined in s. 632.898 (1) (c), that is linked to a medical savings account, as described in s. 632.898, if the employer that provides the individual's new coverage offers its eligible employees a choice of health benefit plan options that includes a high cost-share health plan, as defined in s. 632.898 (1) (c), and the individual's new coverage is not a high cost-share health plan.

~~SECTION 5d. 632.745 (1) (f) 2. of the statutes, as amended by 1995 Wisconsin Act 1, (this act) is repeated.~~

SECTION 6. 632.898 of the statutes is created to read: 632.898 Medical savings accounts. (1) In this section:

- (a) "Account administrator" means any of the following:
 1. A financial institution, the accounts of which are insured by the Federal Deposit Insurance Corporation or the national credit union share insurance fund.
 2. A trust company bank organized under ch. 223.
 3. An insurer authorized to do business in this state.
 4. A broker-dealer licensed under subch. III of ch. 551.
 5. A plan administrator licensed under ch. 633.

6. A certified public accountant licensed to practice in this state.

7. An employer that has a self-insured health plan.

8. An employer that participates in the program under this section.

~~(b) "Dependent" has the meaning given in s. 635.02.~~

~~(c) "High cost share health plan" means any health insurance policy, certificate or contract with deductibles, copayments or other cost-sharing provisions of at least \$1,500 if the insured's coverage is single or at least \$3,000 if the insured's coverage is family.~~

~~(2) (a) An employer that, in providing health insurance coverage for its employees, offers its employees a choice of health benefit plan options that includes a high cost-share health plan may establish a medical savings account for an employee who chooses a high cost-share health plan.~~

~~(b) The medical savings account shall be established as a separate account in the employee's name and shall be the employee's property. The account may be established with any account administrator that is approved by the commissioner to administer medical savings accounts. The commissioner shall approve an account administrator to administer medical savings accounts if the account administrator insures the principal of the medical savings account against loss from any cause, including loss due to market fluctuation. Whenever an employer establishes a medical savings account on behalf of an employee, the employer shall notify the department of revenue, in the manner prescribed by the department of revenue, of the establishment of the account, the employee's name and social security number, the name and address of the account administrator and any other information that the department of revenue may require.~~

~~(c) Only an employer under par. (a), whether that employer established the account or is a succeeding employer of an employee for whom a medical savings account has been established, may make deposits in the medical savings account of an employee who chooses a high cost-share health plan. Except as provided in par. (d), such an employer shall deposit in the account the difference between what the employer pays on behalf of the employee, or the employee and his or her dependents, for the high cost share health plan and what the employer would pay on behalf of the employee, or the employee and his or her dependents, for the most expensive health benefit plan that the employer offers that is not a high cost-share health plan. Except as provided in sub. (4) (a), no other deposits may be made in the account.~~

~~(d) An employer that establishes a medical savings account on behalf of an employee is not required to deposit in the account more than \$2,000 per year for the employee if the employee's coverage is single, or more than \$2,000 per year for the employee, \$2,000 per year for the~~

INS 453 B

SA ✓

Insert IRS (insact 453 at end)

*Medical savings accounts
Title Sub-sub*

(2) (p) and 71.45 (2) (a) 13. b. of the statutes; relating to: references to the Internal Revenue Code for income and franchise tax purposes *related to medical savings accounts*

which includes provisions related to medical savings accounts.
Analysis by the Legislative Reference Bureau

This bill adopts, for income tax and franchise tax purposes, the changes to the federal Internal Revenue Code made by Public Laws ~~106-200, 106-230, 106-519, 106-554, 106-573, 107-15, 107-16,~~ excluding the section related to a deduction for higher education expenses, and ~~107-22.~~

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to this bill.

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

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

SECTION 1. 71.01 (6) (g) of the statutes is repealed.

SECTION 2. 71.01 (6) (h) of the statutes is repealed.

SECTION 3. 71.01 (6) (i) of the statutes is amended to read:

71.01 (6) (i) For taxable years that begin after December 31, 1993, and before January 1, 1995, for natural persons and fiduciaries, except fiduciaries of nuclear decommissioning trust or reserve funds, "Internal Revenue Code" means the federal Internal Revenue Code as amended to December 31, 1993, excluding sections 103, 104, and 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, 13203 (d), and 13215 of P.L. 103-66 and as amended by P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188, excluding section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, and as indirectly affected 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, P.L. 101-239, P.L. 101-280, P.L. 101-508, P.L. 102-90, P.L. 102-227, excluding sections 103, 104, and

The bill also adopts any future changes to ^{the} federal law related to medical savings accounts.

ASSEMBLY BILL 819

1 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections
2 13113, 13150 (d), 13171 (d), 13174, 13203 (d), and 13215 of P.L. 103-66, P.L. 103-296,
3 P.L. 103-337, P.L. 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L.
4 104-188, excluding section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
5 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554. The Internal Revenue
6 Code applies for Wisconsin purposes at the same time as for federal purposes.
7 Amendments to the federal Internal Revenue Code enacted after
8 December 31, 1993, do not apply to this paragraph with respect to taxable years
9 beginning after December 31, 1993, and before January 1, 1995, except that
10 changes to the Internal Revenue Code made by P.L. 103-296, P.L. 103-337, P.L.
11 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188, excluding
12 section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206
13 and, P.L. 105-277, and P.L. 106-554, and changes that indirectly affect the
14 provisions applicable to this subchapter made by P.L. 103-296, P.L. 103-337, P.L.
15 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188, excluding
16 section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206
17 and, P.L. 105-277, and P.L. 106-554, apply for Wisconsin purposes at the same time
18 as for federal purposes.

19 **SECTION 4.** 71.01 (6) (j) of the statutes is amended to read:

20 71.01 (6) (j) For taxable years that begin after December 31, 1994, and before
21 January 1, 1996, for natural persons and fiduciaries, except fiduciaries of nuclear
22 decommissioning trust or reserve funds, "Internal Revenue Code" means the federal
23 Internal Revenue Code as amended to December 31, 1994, excluding sections 103,
24 104, and 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, and
25 13203 (d) of P.L. 103-66, and as amended by P.L. 104-7, P.L. 104-117, P.L. 104-188,

ASSEMBLY BILL 819**SECTION 4**

1 excluding sections 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L.
2 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, and as
3 indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L.
4 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280, P.L. 101-508, P.L. 102-90, P.L.
5 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.
6 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and
7 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.
8 104-117, P.L. 104-188, excluding sections 1202, 1204, 1311, and 1605 of P.L.
9 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277,
10 and P.L. 106-554. The Internal Revenue Code applies for Wisconsin purposes at the
11 same time as for federal purposes. Amendments to the federal Internal Revenue
12 Code enacted after December 31, 1994, do not apply to this paragraph with respect
13 to taxable years beginning after December 31, 1994, and before January 1, 1996,
14 except that changes to the Internal Revenue Code made by P.L. 104-7, P.L. 104-117,
15 P.L. 104-188, excluding sections 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L.
16 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L.
17 106-554, and changes that indirectly affect the provisions applicable to this
18 subchapter made by P.L. 104-7, P.L. 104-117, P.L. 104-188, excluding sections 1202,
19 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L.
20 105-206 and, P.L. 105-277, and P.L. 106-554, apply for Wisconsin purposes at the
21 same time as for federal purposes.

22 **SECTION 5.** 71.01 (6) (k) of the statutes is amended to read:

23 71.01 (6) (k) For taxable years that begin after December 31, 1995, and before
24 January 1, 1997, for natural persons and fiduciaries, except fiduciaries of nuclear
25 decommissioning trust or reserve funds, "Internal Revenue Code" means the federal

ASSEMBLY BILL 819

1 Internal Revenue Code as amended to December 31, 1995, excluding sections 103,
2 104, and 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, and
3 13203 (d) of P.L. 103-66, and as amended by P.L. 104-117, P.L. 104-188, excluding
4 sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L.
5 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L.
6 106-554, and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L.
7 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280, P.L. 101-508, P.L.
8 102-90, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.
9 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),
10 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.
11 104-7, P.L. 104-117, P.L. 104-188, excluding sections 1123, 1202, 1204, 1311, and
12 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.
13 105-206 and, P.L. 105-277, and P.L. 106-554. The Internal Revenue Code applies
14 for Wisconsin purposes at the same time as for federal purposes. Amendments to the
15 federal Internal Revenue Code enacted after December 31, 1995, do not apply to this
16 paragraph with respect to taxable years beginning after December 31, 1995, and
17 before January 1, 1997, except that changes to the Internal Revenue Code made by
18 P.L. 104-117, P.L. 104-188, excluding sections 1123, 1202, 1204, 1311, and 1605 of
19 P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206
20 and, P.L. 105-277, and P.L. 106-554, and changes that indirectly affect the
21 provisions applicable to this subchapter made by P.L. 104-117, P.L. 104-188,
22 excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191,
23 P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L.
24 106-554, apply for Wisconsin purposes at the same time as for federal purposes.

25 **SECTION 6.** 71.01 (6) (L) of the statutes is amended to read:

ASSEMBLY BILL 819

1 71.01 (6) (L) For taxable years that begin after December 31, 1996, and before
2 January 1, 1998, for natural persons and fiduciaries, except fiduciaries of nuclear
3 decommissioning trust or reserve funds, "Internal Revenue Code" means the federal
4 Internal Revenue Code as amended to December 31, 1996, excluding sections 103,
5 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203
6 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
7 104-188, and as amended by P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277
8 and, P.L. 106-36, ^{and} P.L. 106-554, ~~and P.L. 107-16, excluding section 431 of P.L.~~
9 ~~107-16,~~ and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L.
10 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280, P.L. 101-508, P.L.
11 102-90, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.
12 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),
13 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.
14 104-7, P.L. 104-117, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
15 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
16 105-34, P.L. 105-206, P.L. 105-277 and, P.L. 106-36, ^{and} P.L. 106-554, ~~and P.L. 107-16,~~
17 ~~excluding section 431 of P.L. 107-16.~~ The Internal Revenue Code applies for
18 Wisconsin purposes at the same time as for federal purposes. Amendments to the
19 federal Internal Revenue Code enacted after December 31, 1996, do not apply to this
20 paragraph with respect to taxable years beginning after December 31, 1996, and
21 before January 1, 1998, except that changes to the Internal Revenue Code made by
22 P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277 and, P.L. 106-36, ^{and} P.L. 106-554,
23 ~~and P.L. 107-16, excluding section 431 of P.L. 107-16,~~ and changes that indirectly
24 affect the provisions applicable to this subchapter made by P.L. 105-33, P.L. 105-34,
25 P.L. 105-206, P.L. 105-277 and, P.L. 106-36, ^{and} P.L. 106-554, ~~and P.L. 107-16.~~

ASSEMBLY BILL 819

1 ~~Excluding section 431 of P.L. 107-16,~~ apply for Wisconsin purposes at the same time
2 as for federal purposes.

3 SECTION 7. 71.01 (6) (m) of the statutes is amended to read:

4 71.01 (6) (m) For taxable years that begin after December 31, 1997, and before
5 January 1, 1999, for natural persons and fiduciaries, except fiduciaries of nuclear
6 decommissioning trust or reserve funds, "Internal Revenue Code" means the federal
7 Internal Revenue Code as amended to December 31, 1997, excluding sections 103,
8 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203
9 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
10 104-188, and as amended by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36
11 and, P.L. 106-170, ^{and} P.L. 106-554, P.L. 106-573, and P.L. 107-16, excluding section
12 ~~431 of P.L. 107-16,~~ and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L.

13 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280, P.L.
14 101-508, P.L. 102-90, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
15 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
16 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
17 103-465, P.L. 104-7, P.L. 104-117, P.L. 104-188, excluding sections 1123 (b), 1202
18 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
19 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L.
20 106-170, ^{and} P.L. 106-554, P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L.

21 ~~107-16.~~ The Internal Revenue Code applies for Wisconsin purposes at the same time
22 as for federal purposes. Amendments to the federal Internal Revenue Code enacted
23 after December 31, 1997, do not apply to this paragraph with respect to taxable years
24 beginning after December 31, 1997, and before January 1, 1999, except that
25 changes to the Internal Revenue Code made by P.L. 105-178, P.L. 105-206, P.L.

ASSEMBLY BILL 819

1 105-277, P.L. 106-36 and, P.L. 106-170, ^{and} P.L. 106-554, ~~P.L. 106-573, and P.L.~~
 2 ~~107-16, excluding section 431 of P.L. 107-16,~~ and changes that indirectly affect the
 3 provisions applicable to this subchapter made by P.L. 105-178, P.L. 105-206, P.L.
 4 105-277, P.L. 106-36 and, P.L. 106-170, ^{and} P.L. 106-554, ~~P.L. 106-573, and P.L.~~
 5 ~~107-16, excluding section 431 of P.L. 107-16,~~ apply for Wisconsin purposes at the
 6 same time as for federal purposes.

SECTION 8. 71.01 (6) (n) of the statutes is amended to read:

7
 8 71.01 (6) (n) For taxable years that begin after December 31, 1998, and before
 9 January 1, 2000, for natural persons and fiduciaries, except fiduciaries of nuclear
 10 decommissioning trust or reserve funds, "Internal Revenue Code" means the federal
 11 Internal Revenue Code as amended to December 31, 1998, excluding sections 103,
 12 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203
 13 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.

14 104-188, and as amended by P.L. 106-36 and, P.L. 106-170, ^{and} ~~P.L. 106-230, P.L.~~
 15 ~~106-519,~~ ^{iceep} P.L. 106-554, ~~P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L.~~
 16 ~~107-16,~~ ^{iceep} and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L.
 17 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280, P.L. 101-508, P.L.
 18 102-90, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.
 19 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),
 20 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.
 21 104-7, P.L. 104-117, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
 22 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
 23 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L. 106-170,

24 ~~P.L. 106-230, P.L. 106-519,~~ ^{and} P.L. 106-554, ~~P.L. 106-573, and P.L. 107-16, excluding~~
 25 ~~section 431 of P.L. 107-16.~~ The Internal Revenue Code applies for Wisconsin

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

11 SECTION 9. 71.01 (6) (o) of the statutes is amended to read:

12 71.01 (6) (o) For taxable years that begin after December 31, 1999, ~~and before~~
13 ~~January 1, 2000~~, for natural persons and fiduciaries, except fiduciaries of nuclear
14 decommissioning trust or reserve funds, "Internal Revenue Code" means the federal
15 Internal Revenue Code as amended to December 31, 1999, excluding sections 103,
16 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203
17 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
18 104-188, and as amended by ~~PL 106-200, PL 106-230, PL 106-519~~, P.L. 106-554,
19 ~~PL 106-573, and PL 107-16, excluding section 431 of P.L. 107-16~~, and as indirectly
20 affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L.
21 101-179, P.L. 101-239, P.L. 101-280, P.L. 101-508, P.L. 102-90, P.L. 102-227,
22 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.
23 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
24 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-117, P.L.
25 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.

and any subsequent federal law related to Archer medical savings accounts under 26 USC 220

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SECTION 9

and any subsequent federal law related to Archer medical savings accounts under 26 USC 220

1 104-188, P.L. 104-191, ~~P.L. 104-193~~, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.

2 105-206, P.L. 105-277, P.L. 106-36 and, P.L. 106-170, ~~P.L. 106-200, P.L. 106-230,~~

3 ~~P.L. 106-519~~, P.L. 106-554, ~~P.L. 106-573~~, and ~~P.L. 107-16~~, excluding section 431 of

4 ~~P.L. 107-16~~. The Internal Revenue Code applies for Wisconsin purposes at the same

5 time as for federal purposes. Amendments to the federal Internal Revenue Code

6 enacted after December 31, 1999, do not apply to this paragraph with respect to

7 taxable years beginning after December 31, 1999, ~~and before January 1, 2002~~

8 except that changes to the Internal Revenue Code made by ~~P.L. 106-200, P.L.~~

9 ~~106-230, P.L. 106-519, P.L. 106-554, ~~P.L. 106-573~~, and ~~P.L. 107-16~~, excluding~~

10 ~~section 431 of P.L. 107-16~~, and changes that indirectly affect the provisions

11 applicable to this subchapter 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~~, apply

13 for Wisconsin purposes at the same time as for federal purposes.

14 SECTION 10. 71.01 (6) (p) of the statutes is created to read:

15 71.01 (6) (p) For taxable years that begin after December 31, 2000, and before

16 January 1, 2002, for natural persons and fiduciaries, except fiduciaries of nuclear

17 decommissioning trust or reserve funds, "Internal Revenue Code" means the federal

18 Internal Revenue Code as amended to December 31, 2000, excluding sections 103,

19 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203

20 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.

21 104-188, ~~and as amended by P.L. 107-16, excluding section 431 of P.L. 107-16, and~~

22 ~~P.L. 107-22~~, and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L. 100-647,

23 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280, P.L. 101-508,

24 P.L. 102-90, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.

25 ~~102-818, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),~~

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1 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.
2 104-7, P.L. 104-117, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
3 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
4 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, ~~P.L.~~
5 ~~106-200, P.L. 106-230, P.L. 106-249, P.L. 106-554, P.L. 106-573, P.L. 107-16,~~
6 ~~excluding section 431 of P.L. 107-16, and P.L. 107-22.~~ The Internal Revenue Code
7 applies for Wisconsin purposes at the same time as for federal purposes.
8 Amendments to the federal Internal Revenue Code enacted after December 31, 2000,
9 do not apply to this paragraph with respect to taxable years beginning after
10 December 31, 2000, and before January 1, 2002, except that changes to the Internal
11 Revenue Code made by P.L. 107-16, excluding section 431 of P.L. 107-16, and P.L.
12 107-22, and changes that indirectly affect the provisions applicable to this
13 subchapter made by P.L. 107-16, excluding section 431 of P.L. 107-16, and P.L.
14 107-22, apply for Wisconsin purposes at the same time as for federal purposes.

15 SECTION 11. 71.01 (6) (q) of the statutes is created to read:

16 71.01 (6) (q) For taxable years that begin after December 31, 2001, for natural
17 persons and fiduciaries, except fiduciaries of nuclear decommissioning trust or
18 reserve funds, "Internal Revenue Code" means the federal Internal Revenue Code
19 as amended to December 31, 2001, 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 sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and section
22 431 of P.L. 107-16, and as indirectly affected by P.L. 99-514, P.L. 100-203, P.L.
23 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-280, P.L.
24 101-508, P.L. 102-90, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
25 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150

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(d), ~~13171 (d), 13174, and 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. 104-117, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-200, P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L. 106-573, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, and P.L. 107-22. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 2001, do not apply to this paragraph with respect to taxable years beginning after December 31, 2001.

SECTION 12. 71.01 (7r) of the statutes is renumbered 71.01 (7r) (a) and amended to read:

71.01 (7r) (a) ~~Notwithstanding~~ For taxable years that begin after December 31, 2000, and before January 1, 2002, notwithstanding sub. (6), for purposes of computing amortization or depreciation, "Internal Revenue Code" means either the federal Internal Revenue Code as amended to December 31, ~~1999~~ 2000, or the federal Internal Revenue Code in effect for the taxable year for which the return is filed, except that property that, under s. 71.02 (2) (d) 12., 1985 stats., is required to be depreciated for taxable year 1986 under the Internal Revenue Code as amended to December 31, 1980, shall continue to be depreciated under the Internal Revenue Code as amended to December 31, 1980.

SECTION 13. 71.01 (7r) (b) of the statutes is created to read:

71.01 (7r) (b) For taxable years that begin after December 31, 2001, notwithstanding sub. (6), for purposes of computing amortization or depreciation, "Internal Revenue Code" means either the federal Internal Revenue Code as

~~1 amended to December 31, 2001, or the federal Internal Revenue Code in effect for the
2 taxable year for which the return is filed, except that property that, under s. 71.02
3 (2)(d) 12., 1985 stats., is required to be depreciated for taxable year 1986 under the
4 Internal Revenue Code as amended to December 31, 1980, shall continue to be
5 depreciated under the Internal Revenue Code as amended to December 31, 1980.~~

6 **SECTION 14.** 71.22 (4) (g) of the statutes is repealed.

~~7 **SECTION 15.** 71.22 (4) (h) of the statutes is repealed.~~

8 **SECTION 16.** 71.22 (4) (i) of the statutes is amended to read:

INSERT 453 A

9 71.22 (4) (i) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34
10 (1g) and 71.42 (2), "Internal Revenue Code", for taxable years that begin after
11 December 31, 1993, and before January 1, 1995, means the federal Internal
12 Revenue Code as amended to December 31, 1993, excluding sections 103, 104, and
13 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, 13203 (d), and
14 13215 of P.L. 103-66, and as amended by P.L. 103-296, P.L. 103-337, P.L. 103-465,
15 P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188, excluding section 1311
16 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206 and, P.L.
17 105-277, and P.L. 106-554, and as indirectly affected in the provisions applicable to
18 this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding sections 803
19 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section
20 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239,
21 P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.
22 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),
23 13174, 13203 (d), and 13215 of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465,
24 P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188, excluding section 1311
25 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206 and, P.L.

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1 105-277, and P.L. 106-554. The Internal Revenue Code applies for Wisconsin
2 purposes at the same time as for federal purposes. Amendments to the federal
3 Internal Revenue Code enacted after December 31, 1993, do not apply to this
4 paragraph with respect to taxable years beginning after December 31, 1993, and
5 before January 1, 1995, except that changes to the Internal Revenue Code made by
6 P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, excluding section 1 of P.L.
7 104-7, P.L. 104-188, excluding section 1311 of P.L. 104-188, P.L. 104-191, P.L.
8 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, and
9 changes that indirectly affect the provisions applicable to this subchapter made by
10 P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, excluding section 1 of P.L.
11 104-7, P.L. 104-188, excluding section 1311 of P.L. 104-188, P.L. 104-191, P.L.
12 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, apply for
13 Wisconsin purposes at the same time as for federal purposes.

14 **SECTION 17.** 71.22 (4) (j) of the statutes is amended to read:

15 71.22 (4) (j) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34
16 (1g) and 71.42 (2), "Internal Revenue Code", for taxable years that begin after
17 December 31, 1994, and before January 1, 1996, means the federal Internal
18 Revenue Code as amended to December 31, 1994, excluding sections 103, 104, and
19 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d)
20 of P.L. 103-66, and as amended by P.L. 104-7, P.L. 104-188, excluding sections 1202,
21 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L.
22 105-206 and, P.L. 105-277, and P.L. 106-554, and as indirectly affected in the
23 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647
24 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2)
25 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.

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1 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and
2 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections
3 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L.
4 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1202, 1204,
5 1311, and 1605 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. The Internal Revenue Code applies
7 for Wisconsin purposes at the same time as for federal purposes. Amendments to the
8 federal Internal Revenue Code enacted after December 31, 1994, do not apply to this
9 paragraph with respect to taxable years beginning after December 31, 1994, and
10 before January 1, 1996, except that changes to the Internal Revenue Code made by
11 P.L. 104–7, P.L. 104–188, excluding sections 1202, 1204, 1311, and 1605 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 changes that indirectly affect the provisions applicable to this
14 subchapter made by P.L. 104–7, P.L. 104–188, excluding sections 1202, 1204, 1311,
15 and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206 and,
16 P.L. 105–277, and P.L. 106–554, apply for Wisconsin purposes at the same time as
17 for federal purposes.

18 **SECTION 18.** 71.22 (4) (k) of the statutes is amended to read:

19 71.22 (4) (k) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34
20 (1g) and 71.42 (2), “Internal Revenue Code”, for taxable years that begin after
21 December 31, 1995, and before January 1, 1997, means the federal Internal
22 Revenue Code as amended to December 31, 1995, excluding sections 103, 104, and
23 110 of P.L. 102–227 and sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d)
24 of P.L. 103–66, and as amended by P.L. 104–188, excluding sections 1123, 1202, 1204,
25 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34,

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1 P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, and as indirectly affected in the
2 provisions applicable to this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647
3 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2)
4 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.
5 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections 103, 104, and
6 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding sections
7 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L. 103–296, P.L.
8 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections 1123, 1202,
9 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–33, P.L.
10 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554. The Internal Revenue
11 Code applies for Wisconsin purposes at the same time as for federal purposes.
12 Amendments to the federal Internal Revenue Code enacted after
13 December 31, 1995, do not apply to this paragraph with respect to taxable years
14 beginning after December 31, 1995, and before January 1, 1997, except that
15 changes to the Internal Revenue Code made by P.L. 104–188, excluding sections
16 1123, 1202, 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L.
17 105–33, P.L. 105–34, P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, and changes
18 that indirectly affect the provisions applicable to this subchapter made by P.L.
19 104–188, excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104–188, P.L.
20 104–191, P.L. 104–193, P.L. 105–33, P.L. 105–34, P.L. 105–206 and, P.L. 105–277,
21 and P.L. 106–554, apply for Wisconsin purposes at the same time as for federal
22 purposes.

23 **SECTION 19.** 71.22 (4) (L) of the statutes is amended to read:

24 71.22 (4) (L) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34
25 (1g) and 71.42 (2), “Internal Revenue Code”, for taxable years that begin after

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

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1 105-277 and, P.L. 106-36, ^{and} P.L. 106-554, and ~~P.L. 107-16, excluding section 431 of~~
 2 ~~P.L. 107-16,~~ apply for Wisconsin purposes at the same time as for federal purposes.

3 SECTION 20. 71.22 (4) (m) of the statutes is amended to read:

4 71.22 (4) (m) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34
 5 (1g) and 71.42 (2), "Internal Revenue Code", for taxable years that begin after
 6 December 31, 1997, and before January 1, 1999, means the federal Internal
 7 Revenue Code as amended to December 31, 1997, excluding sections 103, 104, and
 8 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
 9 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,
 10 and as amended by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L.
 11 106-170, ^{and} ~~P.L. 106-554, P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L.~~
 12 ~~107-16,~~ and as indirectly affected in the provisions applicable to this subchapter by
 13 P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d) (2),
 14 812 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.
 15 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.
 16 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.
 17 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and
 18 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.
 19 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
 20 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.
 21 105-206, P.L. 105-277, P.L. 106-36 and, P.L. 106-170, ^{and} ~~P.L. 106-554, P.L. 106-573,~~
 22 ~~and P.L. 107-16, excluding section 431 of P.L. 107-16.~~ The Internal Revenue Code
 23 applies for Wisconsin purposes at the same time as for federal purposes.
 24 Amendments to the federal Internal Revenue Code enacted after December 31, 1997,
 25 do not apply to this paragraph with respect to taxable years beginning after

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1 December 31, 1997, and before January 1, 1999, except that changes to the Internal
 2 Revenue Code made by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and,
 3 P.L. 106-170, ^{and} P.L. 106-554, ~~P.L. 106-573, and P.L. 107-16, excluding section 431 of~~
 4 ~~P.L. 107-16,~~ and changes that indirectly affect the provisions applicable to this
 5 subchapter made by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L.
 6 106-170, ^{and} P.L. 106-554, ~~P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L.~~
 7 ~~107-16,~~ apply for Wisconsin purposes at the same time as for federal purposes.

8 SECTION 21. 71.22 (4) (n) of the statutes is amended to read:

9 71.22 (4) (n) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34
 10 (1g) and 71.42 (2), "Internal Revenue Code", for taxable years that begin after
 11 December 31, 1998, and before January 1, 2000, means the federal Internal
 12 Revenue Code as amended to December 31, 1998, excluding sections 103, 104, and
 13 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
 14 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,
 15 and as amended by P.L. 106-36 and, P.L. 106-170, ~~P.L. 106-230, P.L. 106-519,~~ ^{and}
 16 ~~106-554, P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L. 107-16,~~ and
 17 as indirectly affected in the provisions applicable to this subchapter by P.L. 99-514,
 18 P.L. 100-203, P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2),
 19 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L.
 20 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,
 21 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.
 22 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
 23 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,
 24 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.
 25 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.

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1 105-277, P.L. 106-36 and, P.L. 106-170, ~~P.L. 106-230, P.L. 106-519,~~ ^{and} P.L. 106-554,

2 ~~P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L. 107-16,~~ The Internal

3 Revenue Code applies for Wisconsin purposes at the same time as for federal

4 purposes. Amendments to the federal Internal Revenue Code enacted after

5 December 31, 1998, do not apply to this paragraph with respect to taxable years

6 beginning after December 31, 1998, and before January 1, 2000, except that

7 changes to the Internal Revenue Code made by P.L. 106-36 and, P.L. 106-170, ~~P.L.~~

8 ~~106-230, P.L. 106-519,~~ ^{and} P.L. 106-554, ~~P.L. 106-573, and P.L. 107-16, excluding~~

9 ~~section 431 of P.L. 107-16,~~ and changes that indirectly affect the provisions

10 applicable to this subchapter made by P.L. 106-36 and, P.L. 106-170, ~~P.L. 106-230,~~

11 ~~P.L. 106-519,~~ ^{and} P.L. 106-554, ~~P.L. 106-573, and P.L. 107-16, excluding section 431 of~~

12 ~~P.L. 107-16,~~ apply for Wisconsin purposes at the same time as for federal purposes.

13 SECTION 22. 71.22 (4) (o) of the statutes is amended to read:

14 71.22 (4) (o) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34

15 (1g) and 71.42 (2), "Internal Revenue Code", for taxable years that begin after

16 December 31, 1999, ~~and before January 1, 2000,~~ means the federal Internal Revenue

17 Code as amended to December 31, 1999, 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. 106-200, P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L. 106-573,~~

21 ~~and P.L. 107-16, excluding section 431 of P.L. 107-16,~~ and as indirectly affected in

22 the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L.

23 100-647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823

24 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L. 101-73, P.L.

25 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections

and any subsequent federal law related to Archer medical savings accounts under 26 USC 220

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1 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding
2 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L.
3 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections
4 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L.
5 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L.

6 106-36 and, P.L. 106-170, ~~P.L. 106-200, P.L. 106-230, P.L. 106-519, P.L. 106-554,~~

7 ~~P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L. 107-16.~~ The Internal

8 Revenue Code applies for Wisconsin purposes at the same time as for federal
9 purposes. Amendments to the federal Internal Revenue Code enacted after
10 December 31, 1999, do not apply to this paragraph with respect to taxable years
11 beginning after December 31, 1999, ~~and before January 1, 2001,~~ except that changes

12 to the Internal Revenue Code made by ~~P.L. 106-200, P.L. 106-230, P.L. 106-519, P.L.~~
13 ~~106-554, P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L. 107-16,~~ and

14 changes that indirectly affect the provisions applicable to this subchapter made by
15 ~~P.L. 106-200, P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L. 106-573, and P.L.~~

16 ~~107-16, excluding section 431 of P.L. 107-16,~~ apply for Wisconsin purposes at the
17 same time as for federal purposes.

18 ~~SECTION 23. 71.22 (4) (p) of the statutes is created to read:~~

19 71.22 (4) (p) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34
20 (1g), and 71.42 (2), "Internal Revenue Code," for taxable years that begin after
21 December 31, 2000, and before January 1, 2002, means the federal Internal Revenue
22 Code as amended to December 31, 2000, 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. 107-16, excluding section 431 of P.L. 107-16, and P.L. 107-22, and

and any subsequent federal law related to Archer medical savings accounts under 26 USC 220

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as indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2), 821 (b) (2), and 823 (c) (2) 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. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 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. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-200, P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L. 106-573, P.L. 107-16, excluding section 431 of P.L. 107-16, and P.L. 107-22. The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the federal Internal Revenue Code enacted after December 31, 2000, do not apply to this paragraph with respect to taxable years beginning after December 31, 2000, and before January 1, 2002, except that changes to the Internal Revenue Code made by P.L. 107-16, excluding section 431 of P.L. 107-16, and P.L. 107-22, and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 107-16, excluding section 431 of P.L. 107-16, and P.L. 107-22, apply for Wisconsin purposes at the same time as for federal purposes.

SECTION 24. 71.22 (4) (q) of the statutes is created to read:

71.22 (4) (q) Except as provided in sub. (4m) and ss. 71.26 (2) (b) and (3), 71.34 (1g), and 71.42 (2), "Internal Revenue Code," for taxable years that begin after December 31, 2001, means the federal Internal Revenue Code as amended to December 31, 2001, excluding sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),

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1 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and section 431 of P.L. 107-16
2 and as indirectly affected in the provisions applicable to this subchapter by P.L.
3 99-514, P.L. 100-203, P.L. 100-647 excluding sections 803 (d) (2) (B), 805 (d) (2), 812
4 (c) (2), 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L.
5 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.
6 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.
7 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and
8 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.
9 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
10 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L.
11 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-200, P.L. 106-230, P.L.
12 106-519, P.L. 106-554, P.L. 106-573, P.L. 107-15, P.L. 107-16, excluding section 431
13 of P.L. 107-16, and P.L. 107-22. The Internal Revenue Code applies for Wisconsin
14 purposes at the same time as for federal purposes. Amendments to the federal
15 Internal Revenue Code enacted after December 31, 2001, do not apply to this
16 paragraph with respect to taxable years beginning after December 31, 2001.

17 **SECTION 25.** 71.22 (4m) (e) of the statutes is repealed.

18 ~~**SECTION 26.** 71.22 (4m) (f) of the statutes is repealed.~~

19 **SECTION 27.** 71.22 (4m) (g) of the statutes is amended to read:

20 71.22 (4m) (g) For taxable years that begin after December 31, 1993, and
21 before January 1, 1995, "Internal Revenue Code", for corporations that are subject
22 to a tax on unrelated business income under s. 71.26 (1) (a), means the federal
23 Internal Revenue Code as amended to December 31, 1993, excluding sections 103,
24 104, and 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, 13203
25 (d), and 13215 of P.L. 103-66, and as amended by P.L. 103-296, P.L. 103-337, P.L.

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1 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188, excluding
2 section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206
3 and, P.L. 105-277, and P.L. 106-554, 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, 13203 (d), and 13215
8 of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, excluding
9 section 1 of P.L. 104-7, P.L. 104-188, excluding section 1311 of P.L. 104-188, P.L.
10 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L.
11 106-554. The Internal Revenue Code applies for Wisconsin purposes at the same
12 time as for federal purposes. Amendments to the Internal Revenue Code enacted
13 after December 31, 1993, do not apply to this paragraph with respect to taxable years
14 beginning after December 31, 1993, and before January 1, 1995, except that
15 changes to the Internal Revenue Code made by P.L. 103-296, P.L. 103-337, P.L.
16 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188, excluding
17 section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206
18 and, P.L. 105-277, and P.L. 106-554, and changes that indirectly affect the
19 provisions applicable to this subchapter made by P.L. 103-296, P.L. 103-337, P.L.
20 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188, excluding
21 section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206
22 and, P.L. 105-277, and P.L. 106-554, apply for Wisconsin purposes at the same time
23 as for federal purposes.

24 **SECTION 28.** 71.22 (4m) (h) of the statutes is amended to read:

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1 71.22 (4m) (h) For taxable years that begin after December 31, 1994, and
2 before January 1, 1996, “Internal Revenue Code”, for corporations that are subject
3 to a tax on unrelated business income under s. 71.26 (1) (a), means the federal
4 Internal Revenue Code as amended to December 31, 1994, excluding sections 103,
5 104, and 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, and
6 13203 (d) of P.L. 103-66, and as amended by P.L. 104-7, P.L. 104-188, excluding
7 sections 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
8 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, and as indirectly affected
9 in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L.
10 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L.
11 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L.
12 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and
13 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.
14 104-188, excluding sections 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L.
15 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L.
16 106-554. The Internal Revenue Code applies for Wisconsin purposes at the same
17 time as for federal purposes. Amendments to the Internal Revenue Code enacted
18 after December 31, 1994, do not apply to this paragraph with respect to taxable years
19 beginning after December 31, 1994, and before January 1, 1996, except that
20 changes to the Internal Revenue Code made by P.L. 104-7, P.L. 104-188, excluding
21 sections 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
22 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, and changes that
23 indirectly affect the provisions applicable to this subchapter made by P.L. 104-7, P.L.
24 104-188, excluding sections 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L.

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1 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L.
2 106-554, apply for Wisconsin purposes at the same time as for federal purposes.

3 **SECTION 29.** 71.22 (4m) (i) of the statutes is amended to read:

4 71.22 (4m) (i) For taxable years that begin after December 31, 1995, and before
5 January 1, 1997, “Internal Revenue Code”, for corporations that are subject to a tax
6 on unrelated business income under s. 71.26 (1) (a), means the federal Internal
7 Revenue Code as amended to December 31, 1995, excluding sections 103, 104, and
8 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d)
9 of P.L. 103-66, and as amended by P.L. 104-188, excluding sections 1123, 1202, 1204,
10 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34,
11 P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, and as indirectly affected in the
12 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,
13 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,
14 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.
15 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
16 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,
17 excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191,
18 P.L. 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. The Internal Revenue Code applies for Wisconsin purposes at the same
20 time as for federal purposes. Amendments to the Internal Revenue Code enacted
21 after December 31, 1995, do not apply to this paragraph with respect to taxable years
22 beginning after December 31, 1995, and before January 1, 1997, except that
23 changes to the Internal Revenue Code made by P.L. 104-188, excluding sections
24 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
25 105-33, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, and changes

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1 that indirectly affect the provisions applicable to this subchapter made by P.L.
2 104-188, excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L.
3 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and, P.L. 105-277,
4 and P.L. 106-554, apply for Wisconsin purposes at the same time as for federal
5 purposes.

6 SECTION 30. 71.22 (4m) (j) of the statutes is amended to read:

7 71.22 (4m) (j) For taxable years that begin after December 31, 1996, and before
8 January 1, 1998, "Internal Revenue Code", for corporations that are subject to a tax
9 on unrelated business income under s. 71.26 (1) (a), means the federal Internal
10 Revenue Code as amended to December 31, 1996, excluding sections 103, 104, and
11 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
12 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188
13 and as amended by P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277 and, P.L.
14 106-36, ^{and} ~~P.L. 106-554, and P.L. 107-16, excluding section 431 of P.L. 107-16,~~ and as
15 indirectly affected in the provisions applicable to this subchapter by P.L. 99-514, P.L.
16 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L.
17 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.
18 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),
19 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.
20 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311 and 1605 (d)
21 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206,
22 P.L. 105-277 and, P.L. 106-36, ^{and} ~~P.L. 106-554, and P.L. 107-16, excluding section 431~~
23 ~~of P.L. 107-16.~~ The Internal Revenue Code applies for Wisconsin purposes at the
24 same time as for federal purposes. Amendments to the Internal Revenue Code
25 enacted after December 31, 1996, do not apply to this paragraph with respect to

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1 taxable years beginning after December 31, 1996, and before January 1, 1998,
 2 except that changes to the Internal Revenue Code made by P.L. 105-33, P.L. 105-34,
 3 P.L. 105-206, P.L. 105-277 and, P.L. 106-36, ^{and} P.L. 106-554, ~~and P.L. 107-16~~
 4 ~~excluding section 431 of P.L. 107-16~~ and changes that indirectly affect provisions
 5 applicable to this subchapter made by P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L.
 6 105-277 and, P.L. 106-36, ^{and} P.L. 106-554, ~~and P.L. 107-16, excluding section 431 of~~
 7 ~~P.L. 107-16~~, apply for Wisconsin purposes at the same time as for federal purposes.

8 **SECTION 31.** 71.22 (4m) (k) of the statutes is amended to read:

9 71.22 (4m) (k) For taxable years that begin after December 31, 1997, and
 10 before January 1, 1999, "Internal Revenue Code", for corporations that are subject
 11 to a tax on unrelated business income under s. 71.26 (1) (a), means the federal
 12 Internal Revenue Code as amended to December 31, 1997, excluding sections 103,
 13 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203
 14 (d) of P.L. 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
 15 104-188, and as amended by P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36
 16 and, P.L. 106-170, ^{and} P.L. 106-554, ~~P.L. 106-573, and P.L. 107-16, excluding section~~
 17 ~~431 of P.L. 107-16~~, and as indirectly affected in the provisions applicable to this
 18 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,
 19 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104,
 20 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections
 21 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.
 22 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202
 23 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
 24 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36 and, P.L.
 25 106-170, ~~P.L. 106-554, P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L.~~

and

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1

~~Not Am.~~ The Internal Revenue Code applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the Internal Revenue Code enacted after December 31, 1997, do not apply to this paragraph with respect to taxable years beginning after December 31, 1997, and before January 1, 1999, except that changes to the Internal Revenue Code made by P.L. 105-178, P.L. 105-206, P.L.

6

105-277, P.L. 106-36 and, P.L. 106-170, ^{and} P.L. 106-554, ~~P.L. 106-573~~ and P.L.

7

~~107-16, excluding section 431 of P.L. 107-16,~~ and changes that indirectly affect the provisions applicable to this subchapter made by P.L. 105-178, P.L. 105-206, P.L.

9

105-277, P.L. 106-36 and, P.L. 106-170, ^{and} P.L. 106-554, ~~P.L. 106-573~~ and P.L.

10

~~107-16, excluding section 431 of P.L. 107-16,~~ apply for Wisconsin purposes at the same time as for federal purposes.

SECTION 32. 71.22 (4m) (L) of the statutes is amended to read:

71.22 (4m) (L) For taxable years that begin after December 31, 1998, and before January 1, 2000, "Internal Revenue Code", for corporations that are subject to a tax on unrelated business income under s. 71.26 (1) (a), means the federal Internal Revenue Code as amended to December 31, 1998, excluding sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, and as amended by P.L. 106-36 and, P.L. 106-170, ~~P.L. 106-280, P.L.~~

20

~~106-514, P.L. 106-554, P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L.~~

21

~~107-16,~~ and as indirectly affected in the provisions applicable to this subchapter 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, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (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 and, P.L. 106-170,
4 ~~P.L. 106-230, P.L. 106-518, P.L. 106-554, P.L. 106-573, and P.L. 107-16, excluding~~
5 ~~section 431 of P.L. 107-16.~~ The Internal Revenue Code applies for Wisconsin
6 purposes at the same time as for federal purposes. Amendments to the Internal
7 Revenue Code enacted after December 31, 1998, do not apply to this paragraph with
8 respect to taxable years beginning after December 31, 1998, and before
9 January 1, 2000, except that changes to the Internal Revenue Code made by P.L.
10 106-36 and, P.L. 106-170, ~~P.L. 106-230, P.L. 106-518, P.L. 106-554, P.L. 106-573,~~
11 ~~and P.L. 107-16, excluding section 431 of P.L. 107-16,~~ and changes that indirectly
12 affect the provisions applicable to this subchapter made by P.L. 106-36 and, P.L.
13 106-170, ~~P.L. 106-230, P.L. 106-518, P.L. 106-554, P.L. 106-573, and P.L. 107-16,~~
14 ~~excluding section 431 of P.L. 107-16,~~ apply for Wisconsin purposes at the same time
15 as for federal purposes.

16 SECTION 33. 71.22 (4m) (m) of the statutes is amended to read:

17 71.22 (4m) (m) For taxable years that begin after December 31, 1999, ~~and~~
18 ~~before January 1, 2001,~~ "Internal Revenue Code", for corporations that are subject
19 to a tax on unrelated business income under s. 71.26 (1) (a), means the federal
20 Internal Revenue Code as amended to December 31, 1999, excluding sections 103,
21 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203
22 (d) of P.L. 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
23 104-188, and as amended by ~~P.L. 106-200, P.L. 106-230, P.L. 106-518, P.L. 106-554,~~
24 ~~P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L. 107-16,~~ and as indirectly
25 affected in the provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203,

and any subsequent federal law related to Archer medical savings accounts under 26 USC 220

1 P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508,
2 P.L. 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. ^{keep} 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.~~ The Internal Revenue Code applies for Wisconsin purposes at the same
10 time as for federal purposes. Amendments to the Internal Revenue Code enacted
11 after December 31, 1999, do not apply to this paragraph with respect to taxable years
12 beginning after December 31, 1999, ~~and before January 1, 2001,~~ except that changes
13 to the Internal Revenue Code made by ~~P.L. 106-200, P.L. 106-230, P.L. 106-519, P.L.~~
14 ~~106-554, P.L. 106-573, and P.L. 107-16, excluding section 431 of P.L. 107-16, and~~
15 ~~changes that indirectly affect the provisions applicable to this subchapter made by~~
16 ~~P.L. 106-200, P.L. 106-230, P.L. 106-519, P.L. 106-554, P.L. 106-573, and P.L.~~
17 ~~107-16, excluding section 431 of P.L. 107-16,~~ apply for Wisconsin purposes at the
18 same time as for federal purposes.

19 SECTION 34. 71.22 (4m) (n) of the statutes is created to read:
20 71.22 (4m) (n) For taxable years that begin after December 31, 2000, and
21 before January 1, 2002, "Internal Revenue Code," for corporations that are subject
22 to a tax on unrelated business income under s. 71.26 (1) (a), means the federal
23 Internal Revenue Code as amended to December 31, 2000, excluding sections 103,
24 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203
25 (d) of P.L. 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.

and any subsequent federal law related to Archer medical savings accounts under 26 USC 220

(use 3 times)

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

20 **SECTION 35.** 71.22 (4m) (o) of the statutes is created to read:

21 71.22 (4m) (o) For taxable years that begin after December 31, 2001, "Internal
22 Revenue Code," for corporations that are subject to a tax on unrelated business
23 income under s. 71.26 (1) (a), means the federal Internal Revenue Code as amended
24 to December 31, 2001, excluding sections 103, 104, and 110 of P.L. 102-227, sections
25 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),

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

16 SECTION 36. 71.26 (2) (b) 7. of the statutes is repealed.

~~17 SECTION 37. 71.26 (2) (b) 8. of the statutes is repealed.~~

18 SECTION 38. 71.26 (2) (b) 9. of the statutes is amended to read:

19 71.26 (2) (b) 9. For taxable years that begin after December 31, 1993, and
20 before January 1, 1995, for a corporation, conduit or common law trust which
21 qualifies as a regulated investment company, real estate mortgage investment
22 conduit or real estate investment trust under the Internal Revenue Code as amended
23 to December 31, 1993, excluding sections 103, 104, and 110 of P.L. 102-227 and
24 sections 13113, 13150 (d), 13171 (d), 13174, 13203 (d), and 13215 of P.L. 103-66, and
25 as amended by P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, excluding

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1 section 1 of P.L. 104-7, P.L. 104-188, excluding section 1311 of P.L. 104-188, P.L.
2 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L.
3 106-554, 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, 13203 (d), and 13215 of P.L. 103-66, P.L. 103-296, P.L. 103-337,
8 P.L. 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188, excluding
9 section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206
10 and, P.L. 105-277, and P.L. 106-554, “net income” means the federal regulated
11 investment company taxable income, federal real estate mortgage investment
12 conduit taxable income or federal real estate investment trust taxable income of the
13 corporation, conduit or trust as determined under the Internal Revenue Code as
14 amended to December 31, 1993, excluding sections 103, 104, and 110 of P.L. 102-227
15 and sections 13113, 13150 (d), 13171 (d), 13174, 13203 (d), and 13215 of P.L. 103-66,
16 and as amended by P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, excluding
17 section 1 of P.L. 104-7, P.L. 104-188, excluding section 1311 of P.L. 104-188, P.L.
18 104-191, P.L. 104-193, 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, P.L. 101-73, P.L. 101-140, P.L. 101-179,
21 P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
22 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
23 (d), 13171 (d), 13174, 13203 (d), and 13215 of P.L. 103-66, P.L. 103-296, P.L. 103-337,
24 P.L. 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L. 104-188, excluding
25 section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206

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1 and, P.L. 105-277, and P.L. 106-554, except that property that, under s. 71.02 (1) (c)
2 8. to 11., 1985 stats., is required to be depreciated for taxable years 1983 to 1986
3 under the Internal Revenue Code as amended to December 31, 1980, shall continue
4 to be depreciated under the Internal Revenue Code as amended to
5 December 31, 1980, and except that the appropriate amount shall be added or
6 subtracted to reflect differences between the depreciation or adjusted basis for
7 federal income tax purposes and the depreciation or adjusted basis under this
8 chapter of any property disposed of during the taxable year. The Internal Revenue
9 Code as amended to December 31, 1993, excluding sections 103, 104, and 110 of P.L.
10 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, 13203 (d), and 13215 of P.L.
11 103-66, and as amended by P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7,
12 excluding section 1 of P.L. 104-7, P.L. 104-188, excluding section 1311 of P.L.
13 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277,
14 and P.L. 106-554, and as indirectly affected in the provisions applicable to this
15 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,
16 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104,
17 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections
18 13113, 13150 (d), 13171 (d), 13174, 13203 (d), and 13215 of P.L. 103-66, P.L. 103-296,
19 P.L. 103-337, P.L. 103-465, P.L. 104-7, excluding section 1 of P.L. 104-7, P.L.
20 104-188, excluding section 1311 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
21 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, applies for Wisconsin
22 purposes at the same time as for federal purposes. Amendments to the Internal
23 Revenue Code enacted after December 31, 1993, do not apply to this subdivision with
24 respect to taxable years that begin after December 31, 1993, and before
25 January 1, 1995, except that changes to the Internal Revenue Code made by P.L.

ASSEMBLY BILL 819**SECTION 38**

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

9 **SECTION 39.** 71.26 (2) (b) 10. of the statutes is amended to read:

10 71.26 (2) (b) 10. For taxable years that begin after December 31, 1994, and
11 before January 1, 1996, for a corporation, conduit or common law trust which
12 qualifies as a regulated investment company, real estate mortgage investment
13 conduit or real estate investment trust under the Internal Revenue Code as amended
14 to December 31, 1994, excluding sections 103, 104, and 110 of P.L. 102–227 and
15 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, and as
16 amended by P.L. 104–7, P.L. 104–188, excluding sections 1202, 1204, 1311, and 1605
17 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34, P.L. 105–206 and, P.L.
18 105–277, and P.L. 106–554, and as indirectly affected in the provisions applicable to
19 this subchapter by P.L. 99–514, P.L. 100–203, P.L. 100–647, P.L. 101–73, P.L.
20 101–140, P.L. 101–179, P.L. 101–239, P.L. 101–508, P.L. 102–227, excluding sections
21 103, 104, and 110 of P.L. 102–227, P.L. 102–318, P.L. 102–486, P.L. 103–66, excluding
22 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103–66, P.L.
23 103–296, P.L. 103–337, P.L. 103–465, P.L. 104–7, P.L. 104–188, excluding sections
24 1202, 1204, 1311, and 1605 of P.L. 104–188, P.L. 104–191, P.L. 104–193, P.L. 105–34,
25 P.L. 105–206 and, P.L. 105–277, and P.L. 106–554, “net income” means the federal

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1 regulated investment company taxable income, federal real estate mortgage
2 investment conduit taxable income or federal real estate investment trust taxable
3 income of the corporation, conduit or trust as determined under the Internal
4 Revenue Code as amended to December 31, 1994, excluding sections 103, 104, and
5 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d)
6 of P.L. 103-66, and as amended by P.L. 104-7, P.L. 104-188, excluding sections 1202,
7 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L.
8 105-206 and, P.L. 105-277, and P.L. 106-554, and as indirectly affected in the
9 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,
10 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,
11 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.
12 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
13 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,
14 excluding sections 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L.
15 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, except that
16 property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated
17 for taxable years 1983 to 1986 under the Internal Revenue Code as amended to
18 December 31, 1980, shall continue to be depreciated under the Internal Revenue
19 Code as amended to December 31, 1980, and except that the appropriate amount
20 shall be added or subtracted to reflect differences between the depreciation or
21 adjusted basis for federal income tax purposes and the depreciation or adjusted basis
22 under this chapter of any property disposed of during the taxable year. The Internal
23 Revenue Code as amended to December 31, 1994, excluding sections 103, 104, and
24 110 of P.L. 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d)
25 of P.L. 103-66, and as amended by P.L. 104-7, P.L. 104-188, excluding sections 1202,

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SECTION 39

1 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L.
2 105-206 and, P.L. 105-277, and P.L. 106-554, and as indirectly affected in the
3 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,
4 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,
5 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.
6 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
7 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, 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, applies for
10 Wisconsin purposes at the same time as for federal purposes. Amendments to the
11 Internal Revenue Code enacted after December 31, 1994, do not apply to this
12 subdivision with respect to taxable years that begin after December 31, 1994, and
13 before January 1, 1996, except that changes made by P.L. 104-7, P.L. 104-188,
14 excluding sections 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191, P.L.
15 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L. 106-554, and
16 changes that indirectly affect the provisions applicable to this subchapter made by
17 P.L. 104-7, P.L. 104-188, excluding sections 1202, 1204, 1311 and 1605 of P.L.
18 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-34, P.L. 105-206 and, P.L. 105-277,
19 and P.L. 106-554, apply for Wisconsin purposes at the same time as for federal
20 purposes.

21 **SECTION 40.** 71.26 (2) (b) 11. of the statutes is amended to read:

22 71.26 (2) (b) 11. For taxable years that begin after December 31, 1995, and
23 before January 1, 1997, for a corporation, conduit or common law trust which
24 qualifies as a regulated investment company, real estate mortgage investment
25 conduit or real estate investment trust under the Internal Revenue Code as amended

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1 to December 31, 1995, excluding sections 103, 104, and 110 of P.L. 102-227 and
2 sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, and as
3 amended by P.L. 104-188, excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L.
4 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and,
5 P.L. 105-277, and P.L. 106-554, and as indirectly affected in the provisions
6 applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L.
7 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,
8 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.
9 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
10 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,
11 excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191,
12 P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L.
13 106-554, "net income" means the federal regulated investment company taxable
14 income, federal real estate mortgage investment conduit taxable income or federal
15 real estate investment trust taxable income of the corporation, conduit or trust as
16 determined under the Internal Revenue Code as amended to December 31, 1995,
17 excluding sections 103, 104, and 110 of P.L. 102-227 and sections 13113, 13150 (d),
18 13171 (d), 13174, and 13203 (d) of P.L. 103-66, and as amended by P.L. 104-188,
19 excluding sections 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191,
20 P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L.
21 106-554, and as indirectly affected in the provisions applicable to this subchapter
22 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,
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.

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1 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123, 1202, 1204, 1311, and
2 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.
3 105-206 and, P.L. 105-277, and P.L. 106-554, except that property that, under s.
4 71.02 (1) (c) 8. to 11., 1985 stats., is required to be depreciated for taxable years 1983
5 to 1986 under the Internal Revenue Code as amended to December 31, 1980, shall
6 continue to be depreciated under the Internal Revenue Code as amended to
7 December 31, 1980, and except that the appropriate amount shall be added or
8 subtracted to reflect differences between the depreciation or adjusted basis for
9 federal income tax purposes and the depreciation or adjusted basis under this
10 chapter of any property disposed of during the taxable year. The Internal Revenue
11 Code as amended to December 31, 1995, excluding sections 103, 104, and 110 of P.L.
12 102-227 and sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
13 103-66, and as amended by P.L. 104-188, excluding sections 1123, 1202, 1204, 1311,
14 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.
15 105-206 and, P.L. 105-277, and P.L. 106-554, and as indirectly affected in the
16 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,
17 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,
18 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 1123, 1202, 1204, 1311, and 1605 of P.L. 104-188, P.L. 104-191,
22 P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206 and, P.L. 105-277, and P.L.
23 106-554, applies for Wisconsin purposes at the same time as for federal purposes.
24 Amendments to the Internal Revenue Code enacted after December 31, 1995, do not
25 apply to this subdivision with respect to taxable years that begin after

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1 December 31, 1995, and before January 1, 1997, except that changes to the Internal
2 Revenue Code made by P.L. 104-188, excluding sections 1123, 1202, 1204, 1311, and
3 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.
4 105-206 and, P.L. 105-277, and P.L. 106-554, and changes that indirectly affect the
5 provisions applicable to this subchapter made by P.L. 104-188, excluding sections
6 1123, 1202, 1204, 1311 and 1605 of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
7 105-33, 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 41. 71.26 (2) (b) 12. of the statutes is amended to read:

10 71.26 (2) (b) 12. For taxable years that begin after December 31, 1996, and
11 before January 1, 1998, for a corporation, conduit or common law trust which
12 qualifies as a regulated investment company, real estate mortgage investment
13 conduit, real estate investment trust or financial asset securitization investment
14 trust under the Internal Revenue Code as amended to December 31, 1996, excluding
15 sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d),
16 13174, and 13203 (d) of P.L. 103-66 and sections 1123 (b), 1202 (c), 1204 (f), 1311, and
17 1605 (d) of P.L. 104-188, and as amended by P.L. 105-33, P.L. 105-34, P.L. 105-206,
18 P.L. 105-277 and, P.L. 106-36, ^{and} P.L. 106-554, ~~and P.L. 107-16, excluding section 437~~
19 ~~of P.L. 107-16,~~ and as indirectly affected in the provisions applicable to this
20 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,
21 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104,
22 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections
23 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.
24 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202
25 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.

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and

1 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277 *and*, P.L. 106-36, ~~P.L. 106-554, *and*~~
2 ~~P.L. 107-16, excluding section 431 of P.L. 107-16,~~ "net income" means the federal
3 regulated investment company taxable income, federal real estate mortgage
4 investment conduit taxable income, federal real estate investment trust or financial
5 asset securitization investment trust taxable income of the corporation, conduit or
6 trust as determined under the Internal Revenue Code as amended to
7 December 31, 1996, 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 and sections 1123
9 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188 and as amended by P.L.
10 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277 *and*, P.L. 106-36, ~~P.L. 106-554, *and*~~
11 ~~P.L. 107-16, excluding section 431 of P.L. 107-16,~~ *and* as indirectly affected in the
12 provisions applicable to this subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647,
13 P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,
14 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.
15 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
16 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,
17 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.
18 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277 *and*,
19 P.L. 106-36, ~~P.L. 106-554, *and* P.L. 107-16, excluding section 431 of P.L. 107-16,~~
20 except that property that, under s. 71.02 (1) (c) 8. to 11., 1985 stats., is required to
21 be depreciated for taxable years 1983 to 1986 under the Internal Revenue Code as
22 amended to December 31, 1980, shall continue to be depreciated under the Internal
23 Revenue Code as amended to December 31, 1980, and except that the appropriate
24 amount shall be added or subtracted to reflect differences between the depreciation
25 or adjusted basis for federal income tax purposes and the depreciation or adjusted

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1 basis under this chapter of any property disposed of during the taxable year. The
 2 Internal Revenue Code as amended to December 31, 1996, excluding sections 103,
 3 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203
 4 (d) of P.L. 103-66, and sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L.
 5 104-188, and as amended by P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L. 105-277
 6 and, P.L. 106-36, ^{and} P.L. 106-554, ~~and P.L. 107-16, excluding section 431 of P.L.~~
 7 ~~107-16,~~ and as indirectly affected in the provisions applicable to this subchapter by
 8 P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179,
 9 P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L.
 10 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150
 11 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L.
 12 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f),
 13 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L.
 14 105-34, P.L. 105-206, P.L. 105-277 and, P.L. 106-36, ^{and} P.L. 106-554, ~~and P.L. 107-16,~~
 15 ~~excluding section 431 of P.L. 107-16,~~ applies for Wisconsin purposes at the same time
 16 as for federal purposes. Amendments to the Internal Revenue Code enacted after
 17 December 31, 1996, do not apply to this subdivision with respect to taxable years
 18 that begin after December 31, 1996, and before January 1, 1998, except that
 19 changes to the Internal Revenue Code made by P.L. 105-33, P.L. 105-34, P.L.
 20 105-206, P.L. 105-277 and, P.L. 106-36, ^{and} P.L. 106-554, ~~and P.L. 107-16, excluding~~
 21 ~~section 431 of P.L. 107-16,~~ and changes that indirectly affect the provisions
 22 applicable to this subchapter made by P.L. 105-33, P.L. 105-34, P.L. 105-206, P.L.
 23 105-277 and, P.L. 106-36, ^{and} P.L. 106-554, ~~and P.L. 107-16, excluding section 431 of~~
 24 ~~P.L. 107-16,~~ apply for Wisconsin purposes at the same time as for federal purposes.

25 SECTION 42. 71.26 (2) (b) 13. of the statutes is amended to read: